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22 February 1982

LATIN AMERICA REPORT

No. 2450

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1982 BUDGET OUT: GAS PRICES UP, LESS DEPENDENCE ON OIL

Food, Export Needs

Port-of-Spain TRINIDAD GUARDIAN in English 19 Jan. 82 p 3

[Text.]

GOVERNMENT'S development strategy is aimed at lessening the country's dependence on oil as the basic earner of foreign exchange.

Explaining this in the 1982 budget yesterday, Prime Minister and Minister of Finance Mr. George Chambers said that challenges included development of the export sector and food production.

He said: The underlying objective of the Government's developmental strategy has always been to lessen the country's dependence on oil as the basic earner of foreign exchange and the main-spring of economic activity.

To achieve this it is necessary to diversify and take action to develop the non-oil sector so that in time it will have capability of generating the required foreign exchange.

The Government has sought to do this by using the oil revenues to establish the necessary infrastructure and to expand the productive capacity of the economy mainly through investment in the capital intensive energy-based industries.

This, therefore, leads me to the next two challenges — the development of the export sector and food production.

There are many reasons why our manufacturing community has not, in general, ventured into international markets. There are also many constraints, at home and abroad, on the capability to export manufactured goods in significant quantities to world markets. We have no choice as a nation, however, but to accept the challenges of the international market place.

At a time when the industrialised countries, which for the time being at least, must be our prime target markets, are showing a greater tendency to protectionism, the task ahead will demand, in addition to an increase in productivity, all the innovativeness and business flair of which we are capable.

The Government will seek to create a business climate conducive to exports and will take action supportive of private sector initiatives to diversify foreign exchange earnings.

To this end Cabinet has already appointed a Committee under the General Manager, of the Industrial Development Corporation, with membership drawn from the public and private sectors to examine export

development in the non-oil sector, as a matter of national priority, with the following terms of reference:

"to identify existing constraints to the development of exports in manufactured and processed goods from Trinidad and Tobago to the Caribbean and international markets; to recommend measures for the removal of such constraints and to make proposals for accelerating the development and expansion of the export sector through the use of fiscal and other forms of incentives."

The Committee which began its work in mid-November last will take account of views on the encouragement of exports expressed by the National Advisory Council and of the relevant recommendations made in the recent report of the Fiscal Review Committee. The Committee has been requested to report by March 31st, 1982.

Over the years the Government has taken positive action to tackle the problem of domestic food production; it has appropriated adequate resources to the agricultural sector and its expenditures in the last seven years were as follows:

1975	— \$ 73.4 mn.
1976	— \$105.1 mn.
1977	— \$245.6 mn.
1978	— \$333.0 mn.

1979	— \$379.8 mn.
1980	— \$354.7 mn.
1981	— \$604.2 mn

These sums include funds made available to the Agricultural Development Bank for on-lending to farmers.

AGRICULTURE

Despite this substantial investment, the performance of the agricultural sector has fallen far below expectations.

I respectfully submit that the real challenge facing us in agriculture is to convince the population that the distinct possibility exists that in the not too distant future, food may not be available for purchase in the international market.

Once the nation has been convinced of this, the foun-

dation would have been laid for the emergence of a national will to devise strategies and mechanisms to overcome the constraints on domestic food production.

Such an increase in food production would also arrest the drain on foreign exchange resources through the food import bill which now stand at \$810 million.

The Government remains convinced that the country possesses the united capability to make optimum use of the 50,000 acres of prime agricultural land, which best lend themselves to mechanisation and which belong to the people of Trinidad and Tobago, to develop an efficient marketing system, to provide adequate cold storage facilities and the associated processing plant.

Gas, Fuel Price Hikes

Port-of-Spain TRINIDAD GUARDIAN in English 19 Jan 82 p 1

[Excerpt]

MOTORISTS are to pay more for gas and fuels and so too will housekeepers who use cooking gas.

Premium gasoline goes up by 25 cents to \$1.25 a gallon while the price of regular gasoline has been increased from 85 cents to \$1.05 a gallon.

A 20-lb LPG (cooking gas cylinder will now cost \$10, instead of \$9.20, while the 100-lb cylinder moves up from \$46. to \$50.

A new price of petroleum products was issued yesterday and announced in the House of Representatives by Prime Minister George Chambers in presenting the 1982 Budget.

Cabinet agreed to the pricing structure of petroleum products following recommendations of a Cabinet-appointed committee.

Prime Minister Chambers pointed out that the subsidy on petroleum products increased from \$33 million in 1974 to an estimated \$327 in 1981 and under existing conditions the subsidy was expected to grow by at least 12 per cent per annum.

ENERGY MINISTER SAYS EMPHASIS IS ON HEAVY CRUDE PRODUCTION

Port of Spain TRINIDAD GUARDIAN in English 15 Jan 82 p 4

[Excerpt]

SAN FERNANDO

"THE BIG thing on the oil scene today is heavy crude."

This was revealed by Energy and Natural Resources Minister Patrick Minning at the end of an all-day tour of Texaco Trinidad Inc at Pointe-a-Pierre on Wednesday.

Mr. Manning explained that while in the '60s oil refineries around the world were geared for the manufacture of fuel oils, the international market had dramatically changed and today emphasis was being put everywhere on "heavy crude."

He confided that "in Trinidad and Tobago there are considerable deposits of heavy crude and the total reserve between Texaco and the National Oil Company (Trintoc) is about 1.6 billion barrels. He declared however, that the big question was how best to extract that heavy crude.

He said that considerable research was being carried out in several parts of the world and he had been informed by Texaco personnel that new technology had been developed by the parent company operations at Houston, Texas, and in California.

Some effort was being made by Texaco to have its own personnel study the new techniques with a view to being able to maximise heavy crude deposits in Texaco's holdings.

Mr. Manning said that the chief geologist Hugh Hinds will soon attend a conference in Venezuela. Texaco, he said had set up a major task force for study and research, and he felt confident that in the end the country would greatly benefit from those activities.

He spoke also of "extensive experimentation" being carried out by Texaco at its refinery and in its research facilities to meet the new challenges with which oil companies were faced on the international market.

CSO: 3025/145

COSTA RICA AGREES TO REDUCE EXPORTS TO PANAMA

San Jose LA NACION in Spanish 19 Dec 81 p 3

[Text] The governments of Panama and Costa Rica announced that they have reached an agreement to reduce the trade of 21 categories of articles that are included in a free trade and preferential trade treaty that has been in force since 1964.

The agreement limits the marketable quantity of the 21 categories to 50 per cent of the total that was negotiated between November 1979 and October 1980; that is, before the value of the Costa Rican colon versus the U.S. dollar was changed.

Jose Miguel Alfaro, Costa Rican minister of economy, said that "the agreement satisfied the desire of the government and of the private sector of Panama to protect the Panamanian products that have been affected by the transitory trade circumstance that exists in Costa Rica."

Arturo Melo, Panamanian minister of commerce, said that the agreement "will solve immediate problems and will provide Panamanian industry with the protection that it needs in the face of the economic and trade problems that Costa Rica is experiencing."

The agreement will be in force during 1982 and will be "reviewed on the basis of the conduct of trade," said Alfaro.

"The agreement will continue as long as there is a trade disparity between the two countries," added the Costa Rican official.

Melo said that Panama will soon negotiate similar agreements with El Salvador and with Nicaragua.

Following are products that have been limited: meat and hermetically sealed meat products, pastas, fruit jellies and marmalade, potato chips, table napkins, toilet paper, cosmetics, glazed tiles and floor tiles, records and cassettes, galvanized rolls and sheets of metal, galvanized steel pipes, corrugated rolls of asbestos, cement, metal furniture, and corrugated cardboard boxes.

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CSO: 3010/700

BRIEFS

JOINT NAVAL EXERCISES--Bridgetown, Sun; (Cana)--Two armed vessels and almost three dozen coast guard personnel from Barbados and St. Vincent and the Grenadines have been taking part in a joint training exercise, the two governments have reported. The training--in navigation, seamanship, and gunnery--took place in St. Vincent and the Grenadines marine economic zone. The Government Information Service (GIS) here said the exercise was a success. [Port-of-Spain TRINIDAD GUARDIAN in English 25 Jan 82 p 5]

CSO: 3025/155

DEFENSE FORCE SEIZES CAYMAN BOAT WITH 37 HONDURANS

Nassau THE TRIBUNE in English 7 Jan 82 p 1

[Article by Marcia Bethell]

[Text]

THIRTY-SEVEN men, one boat, 18 canoes and 1,000 lbs of crawfish, worth about \$6,000, were brought to Nassau this morning by Defence Force boats HMBS Inagua and HMBS Fort Montagu.

The 70-foot, Cayman Island registered "Cay Land" was captained by a 44-year-old native of British Honduras and had a diving crew of 36 Hondurians, ranging in ages from 14-21.

Also on the fishing vessel when it was arrested Tuesday morning was a 357 Magnum with five rounds of ammunition, a .22 rifle with two rounds of ammunition, diving tanks and equipment, and 300 lbs of assorted fish.

According to Lt Jackson Ritchie, commanding officer of HMBS Inagua, the Defence Force boat was on routine patrol, escorting HMBS Fort Montagu, commanded by Lt Commander Edwin Munroe to Cay Sal Bank, located 150 miles west of Andros, when "Cay Land" was spotted.

"After spotting the vessel we boarded it and made the arrests. No resistance was made. The men were taken

prisoner and after escorting the Fort Montagu to Cay Sal Cay, it was then used to help transport the prisoners to Nassau," Lt Ritchie said today.

He said this was the first time a fishing vessel from as far as British Honduras was seen in Bahamian waters. This is the Defence Force's first arrest this year.

At Prince George dock this morning when HMBS Inagua and Fort Montagu arrived was Captain Christopher Belton, who assumed command of the Bahamas Defence Force on December 11. Captain Belton replaced Commodore William Swinley, who had served as Commander of the Defence Force since its formation in 1976.

The arrival of Inagua and Fort Montagu, escorting the Cay Land, with armed Defence Force marines standing on deck, drew a large crowd, many of whom were tourists shopping at the straw market. However, the procedure of unloading the cargo and turning it and the prisoners over to the police was done with speed and efficiency, releasing the Inagua to return to routine patrol.

NEW YEAR EXPECTED TO SEE GROWING INDUSTRIAL UNREST

Nassau THE TRIBUNE in English 31 Dec 81 pp 1, 14

[Article by Gladstone Thurston]

[Text]

AS IF THE teachers strike was a precursor of things to come, industrial unrest is likely to be one of the chief concerns of the Government in 1982.

"Things will never be the same again," beamed one leading unionist following the teachers' walk-out that closed all Government schools for three weeks in January.

That move was keenly observed by all trade unions. For most, it provided the encouragement needed to face the Government in negotiations. And, although only the Communications and Public Officers Union stood by the teachers' side, all other unions were heartened by the move.

The teachers were forced to return to the classrooms without achieving their demands - termed a "tactical retreat" - they were told by union president A. Leonard Archer: "It is incumbent upon us now to prepare for the next round of battle."

The teachers union was unprepared for that precedent-setting event. They lacked a strike fund to tide members over as the Government withheld pay due to the strike. The union has since set up a strike fund.

"When you go (on strike) next time," Mr Archer said, "you will know you will be able to go for four weeks without losing a penny."

It was only after the Bahamas Christian Council stepped in as mediators and the Government promised to reopen negotiations, that the teachers agreed to return to work.

Talks later began with the Government on the outstanding issues involved in the dispute. So far, no agreement has been reached. Already the teachers are preparing for "the next round of battle."

Already festering is a dispute between the militant Communications and Public Officers Union (BCPOU) and Batelco. Both sides are at an impasse over how many workers may comprise the union's negotiating team.

In a release earlier this month, the BCPOU warned that should matters concerning their contract negotiating team not be resolved over the holidays (just past), the union will "take some forceful action to impress upon the powers-that-be in no uncertain terms that it means business and will tolerate no further foot-dragging."

The three-year industrial agreement between Batelco and the BCPOU ended September 30. The conclusion of a new agreement does not seem to be an easy task. Both sides have always been at odds with each other and many flareups have resulted over the interpretation of their

contract. All kinds of industrial action have resulted.

The BCPOU has already rejected as "totally unacceptable" and "a gross insult" management's offer of a 17 per cent pay increase stretched over a three-year period. Taking into consideration the rate of inflation and the role the workers play in the profitability of Batelco, the union had proposed that salaries be increased by 44 per cent over a two-year period to be paid at the rate of 22 per cent yearly.

The Public Services Union (BPSU) has, since the PLP came to power, played a rather passive role. However, in September this year, the union's secretary-general Van Delaney warned of an "inevitable" strike and urged members to, like the teachers union, build a strike fund.

Giving his annual report, Delaney said that the union has to show its employer (the Government) it is a force to be reckoned with. He warned that as the public service grows -- and the union has embarked on a membership drive -- there will be more and more agitation for better working conditions and more salaries.

With Arlington Miller returned as president of the BPSU for the sixth consecutive year, there appears to be some internal problems he may have to face. These include the defection of the air traffic controllers and the weather forecasters to the strong Airport Airline Workers Union.

Whether the BPSU can

successfully mount any kind of industrial action is left to be seen as its members are often prone to political manipulation. Many public servants believe that they must be loyal to the Government of the day, regardless.

The Hotel Catering and Allied Workers Union is set for battle against the Hotel Employers Association relative to the 15 per cent service charge. The employers want the 15 per cent service charge removed. The union said the association was "trifling" and "jiving."

The removal of the service charge is one of the Association's solutions to the growing number of complaints by visitors about poor attitudes and service.

Said union secretary-general Bobby Ginton: "Under no circumstances are we prepared as a union to remove the guaranteed tipping. We would like to enhance the guaranteed tipping system for an even broader distribution of funds to workers who do not normally share tips."

The hotel union's contract with the employers association runs out the first week in January.

The BEC union also has been agitating for more pay and better working conditions. They were forced into industrial action this year. Their dispute is still unsettled.

And the Taxi Cab Union will be holding the Government to a promise not to initiate public transportation from the airport.

BRIEFS

WORKERS PARTY ACTIVITIES--The Central Committee of the Workers Party has announced the formation of its St Barnabas Branch with First Street, Coconut Grove resident Julian Ebbie Kemp as chairman. The central committee member for St Barnabas is Fourth Street resident Floyd Pratt. The St Barnabas branch vice chairman is Dugal Farquharson of Third Street; secretary Miss Christine Cox of Market Street and Harrison Butler and John Cox, St Barnabas constituents as executive members. The central committee also announced that it has received two applications from two residents of the area for nomination to contest the constituency in this year's general election. A party spokesman said that many young people in the St Barnabas constituency are disillusioned with their MP Sinclair Outten and the FNM candidate Ed Moxey neither of whom are resident in the area. "The Workers Party is doing all in its power to make certain that the majority of its candidates are residents of the constituencies they hope to represent," the spokesman said. He also said the party's next mass rally is scheduled for the St Agnes constituency this month when the party will burn the PLP candidate, Kendal Nottage, in effigy. [Nassau THE TRIBUNE in English 6 Jan 82 p 1]

CSO: 3025/146

EDITORIAL FAULTS WASHINGTON ON HAITIAN REFUGEES POLICY

Bridgetown THE NATION in English 13 Jan 82 p 4

[Text]

THE subject of the Haitian refugees and the United States is one which wouldn't go away.

And for a very good reason.

However one tries to give the Reagan administration the benefit of the doubt in this matter, developments arise which serve only to highlight the inconsistency in its approach to Haitians.

When we complained in a recent editorial about the treatment and the policy of the United States to Haitian refugees fleeing their homeland in search of a better life in America, our views evoked some angry responses from readers who accused us of not being even-handed.

In the interest of fairness and to facilitate open discussion we even printed two letters which misrepresented our position. Contrary to what the writers of those letters stated, THE NATION never advocated that the United States sit idly by while illegal aliens pour across its frontiers. What we were criticising was the policy of using armed Coast Guard boats to interdict Haitians at sea.

Subsequent events and information have reaffirmed the correctness of our original position in this matter.

According to recent official figures released in Washington, in the fiscal year 1981, some 63 202 foreigners applied for asylum in the United States.

Of that number 36 296 came from Cuba; 1 670 from Poland, 4 111 from Nicaragua; 7 138 from Iran; 992 from Ethiopia and 503 from Haiti.

Given the implications of these figures and the policy of the Reagan administration towards the Haitians, it stands to reason why one of America's great newspaper, the *New York Times*, was forced to ask the administration in Washington the other day, "Why make such a fuss over only a few hundred black Haitians, especially when doing so is sure to engender accusations of racism?"

We know some of the answers to the question raised by the *Times*. The first is that the United States

would prefer to see a different system of government in Cuba, Poland, Iran, Nicaragua and Ethiopia and would therefore welcome applications for asylum from nationals of those states to demonstrate to the world that people would rather flee to America than live under repressive regimes.

Second, most of the foreigners, with the exception of Haitians, had entered the United States legally but had overstayed their allotted time. Third, the United States wants to dramatise the Haitian situation so as to discourage other Haitians from entering the country illegally.

Another development which has caused us to go back to the Haitian refugee situation is a proposal of the Justice Department to send illegal Haitian refugees from Florida to Fort Drum, New York.

"To hold poor, desperate people from the tropics in a freezing camp near the Canadian border where the temperature (on December 17) was 12 degrees, would be callous," the *New York Times* declared in an editorial.

We agree. And that's why we welcome the decision of William French Smith, the United States Attorney General not to act on his department's recommendation because of the weather conditions in the Fort Drum area.

To send the Haitians to the Fort would be akin to dispatching them to Siberia.

There is little doubt that the Haitians are both political and economic refugees and their situation cries out for a different approach from the one presently adopted by the United States.

NORTH KOREA IDENTIFIES AREAS OF POTENTIAL COOPERATION

Bridgetown ADVOCATE-NEWS in English 7 Jan 82 p 1

[Text]

The Democratic People's Republic of Korea has identified a number of areas which the country said it is willing to co-operate with Barbados.

The areas of fisheries, agriculture, politics and culture were all outlined by that country's newly appointed Ambassador to Barbados, Mr. Pak Ri Hyon, who is now on an official visit to Barbados.

Mr. Hyon is based in Guyana. So far, he has presented his credentials to Governor-General Sir Deighton Ward, as has been meeting with a number of Government officials.

Speaking to the Press on Tuesday night at the Holiday Inn, Mr. Hyon said that towards the end of the 1980s, his country's economy would be much stronger to support co-operation and assistance to other nations.

"But", he explained, "there will be some technical co-operation in the fields of fisheries and agriculture with Barbados."

He said that during his term, he will try his best "to further develop the already established relations of friendship and co-operation between the two countries in all fields of politics, economy, and culture, and express my hope that I will receive your active co-operation in discharging my official duty."

Mr. Hyon stated that

although the two countries were far apart, peoples of both nations had developed friendly and co-operative relations on the basis of the past conditions, and today's common ideals.

The Ambassador said that Koreans were proud of the fact that they had the true friendship of Barbadians, and noted that his countrymen treasured the friendly and co-operative relations established between the two states.

"Our people are very pleased over the successes attained by the people of Barbados in their work for the national prosperity and the building of a new society," the official stated.

The Ambassador also stated that in order to safeguard the island's dignity and sovereignty, Barbadians were now striving to externally support the non-aligned movement, and strengthen unity and co-operation with the peoples as well as those of the other Caribbean nations.

"I consider that the external policy maintained by the Government of Barbados conforms with the interests of our two peoples and it will also make a great contribution to developing the friendly relations with the people of the newly emerging countries over the world," Mr. Hyon said.

ADC'S NEW RURAL DEVELOPMENT PROJECT SET TO BEGIN SOON

Bridgetown ADVOCATE-NEWS in English 7 Jan 82 p 1

[Text]

The Barbados Agricultural Development Corporation's Rural Development Project is to get off the ground shortly.

Potential farmers are now being interviewed for their participation in the programme and a public relations campaign should commence in a short while.

Mrs Bert Reece, chairman of the ADC, noted that the programme was different from the Spring Hall Land Development Scheme, which was a land settlement.

He said it was about improving production on lands already owned by people or who will be able to own them under the Tenancies Freehold Land Development Scheme.

Mr. Reece was speaking at the ADC's headquarters in Fairy Valley, Christ Church, shortly after receiving one light cab and three fourwheel type vehicles to be used in the Rural Development Project.

The project is being undertaken through a loan contract of US\$4.1 million from the Inter-American Development Bank. The Barbados Government is

putting US\$2.2 million into the scheme.

The programme will provide for the development of rural units consisting of contiguous groupings of tenantry and smallholder units and will ultimately cover an area of about 1 000 net cultivated acres and embrace 1 500 families.

The objectives of the programme are to increase food production, productivity, incomes and raise the standard of living of the participants.

In order to satisfy the goals, the farmer must be provided with certain services such as advice, tractor service and credit.

To permit the farmers to obtain the requisite advice, a team of eight extension officers have been appointed on the staff of the ADC to advise the farmers in all aspects of agricultural production, marketing and credit.

Mr. Gladstone Barker has been appointed project Manager. Chief of extension is Mr. Joseph Dolphin and chief of irrigation, Mr. David Crony.

Mr. Barker said they were currently interviewing farmers in St. George and Christ Church for participation in the scheme.

ADAMS EXPOUNDS ON TRADE ARRANGEMENTS WITH GUYANA

Port-of-Spain TRINIDAD GUARDIAN in English 22 Jan 82 p 5

[Text]

BRIDGETOWN, Thurs., (Cana):

BARBADIAN manufacturers have been assured that Guyana is taking steps to correct the present trade imbalance between the two Caricom member states, in spite of its severe foreign exchange constraints. Barbados Prime Minister, Tom Adams, said last night that Guyana's President, Forbes Burnham, had offered to extend quotas on traditional Barbadian exports to the cooperative republic.

Mr. Adams had just returned from Guyana, where he held five hours of informal discussions with Mr. Burnham on bilateral issues, as well as regional and international matters of common interest to both countries.

Mr. Adams singled out garments as one area in which local manufacturers could benefit from the promised easing of the trade restrictions.

Barbadian manufacturers have, for more than five years now, been crying out against the Guyanese trade restrictions, contending that it was unfair that Guyanese goods had unimpeded access into the local market, while Barbadian products were meeting obstacles getting into Guyana.

Mr. Adams said, however, he did not know when the Guyana restriction would be relaxed.

The Barbados Prime Minister said he and his

Guyanese counterpart had also discussed in some depth the U.S.-sponsored Caribbean basin aid initiative.

Mr. Adams said it was generally understood that Guyana might not be able to benefit from private sector investment, under the programme in the way that Barbados would.

Questioned on the possibility of signing a memorandum of cooperation with Guyana, similar to the one which Barbados has with Trinidad and Tobago, Mr. Adams said this was not necessary, as there were no joint ventures between the two nations.

But he hinted that his Government might sign shortly another such agreement with its oil-rich Caricom partner.

Mr. Adams said the need of a further agreement with Trinidad and Tobago depended on "how far a coincidence of interests arises in certain areas between Trinidad and Tobago and

Barbados, and how far things which have not fully matured at the time of my talks with Dr. Williams (the late Trinidad and Tobago Prime Minister) may have come to greater maturity now.

On the impending Caricom Heads of Government Summit, the Barbados Prime Minister said mid-year was the most likely time he and Mr. Burnham fancied the long-awaited conference to come off, but the actual date was yet to be decided on by the regional leaders.

Mr. Adams said he and his counterpart also discussed the security of the region and the Western Hemisphere as a whole, but only in general terms, such as the territorial integrity of regional states.

He denied that they discussed the possibility of developing contacts between the defence forces of both Guyana and Barbados.

ADAMS IN SECRET MEETING WITH ALL NATION'S TRADE UNIONS

Bridgetown THE NATION in English 14 Jan 82 p 1

[Text]

PRIME Minister Tom Adams has held a top secret meeting with all the trade unions in Barbados.

He called them in on Monday afternoon last and for three hours, he preached to them the gospel according to the Government on matters related to the country's flagging economy.

Called on the Prime Minister's initiative, the meeting was an attempt by Adams to get the unions to moderate salary proposals in key areas of the economy this year.

Attending the meeting were senior representatives from the following unions:

- The Barbados Workers Union;
- The National Union of Public Workers;
- The Barbados Union of Teachers;
- The Barbados Secondary Teachers Union;
- The Barbados Association of Medical Practitioners;
- The Police Association;
- The Firemen Association.

Government sources were not saying much about the outcome of the talks except to confirm that the Prime Minister had asked the unions to show some restraint in their salary demands.

Government and the NUPW and BWU will be negotiating new salaries for public workers in a few months, while the BWU will be negotiating sugar workers and a number of statutory bodies. Teachers through their unions, BUT and BSTU, will also be negotiating new salaries this year.

The Government source did not mention any figures outlined by the Prime Minister in terms of what he considered a realistic percentage increase in salaries, but said a number of figures had been thrown out.

At the meeting, some attention was given to the overall management of the economy and the manner in which prices had spiralled on the one hand and lay-offs taken place on the other.

It was also pointed out that the people of Barbados were now getting less disposable incomes than six months ago because of increased deductions for National Insurance.

CSO: 3025/147

SUGAR HARVEST BESET BY WAGE DISPUTE, SHORTAGE OF WORKERS

Bridgetown ADVOCATE-NEWS in English 11 Jan 82 p 1

[Text]

An additional 1 208 workers are needed to assist in harvesting this year's sugar crop.

Cutters represent the largest number. Some 776 workers are needed in this category.

Some 124 loaders are also needed and 134 retrievers.

The Barbados Sugar Producers' Association has also advertised for packers, scrappers, lorry and tractor drivers and loader operators.

Indications are that the SPA might have to look to St. Vincent once again for the bulk of additional workers to harvest this year's crop.

Uncertainty hangs over when the crop is likely to start as the SPA and the Barbados Workers' Union are negotiating for a new wages agreement for some 7 000 sugar workers.

Prime Minister Mr. Tom Adams has supported a proposal put forward by the SPA for an extension by 12 months of the last agreement which expired at the end of last year.

The proposal was made against the poor earnings from sugar last year. However the BWU has rejected it as "unacceptable."

Mr. Frant Walcott, BWU general secretary, said in his weekly column "The Union Speaks" that the "orchestration of views that has

been presented on the sugar industry at this time is done to obscure the issue that we are called up to accept."

That issue, Mr. Walcott said, was for the sugar workers of Barbados to continue to earn the same basic wages in 1982 as they received in 1979.

"We are aware that part of this orchestration is to focus attention on the start of the crop for 1982".

Mr. Walcott said that the suggestion that the start of the crop was associated with the union was only to emphasise that the union, as one of the elements in the industry, had to represent the interest of the workers.

And this interest, he added, was not haphazard but was vital and important and must be protected.

Mr. Walcott said that the union intends, at all times, to give the workers maximum representation, not token representation.

"By this, we mean that we will shall prepare a case to show that the cost of wages has been reduced over the years and we are not accepting the self-appointed experts who know what the labour costs are but are afraid to publish them. Nor can we succour those few who know the total costs of sugar, cannot meet them, and continue to exhaust funds in a not profitable enterprise."

ADAMS, AT PRESS CONFERENCE, WARNS OF TAXES IN NEXT BUDGET

Bridgetown THE NATION in English 8 Jan 82 p 1

[Text]

PRIME Minister Tom Adams yesterday warned Barbadians to look forward to "some taxation" in his next Budget.

He did not elaborate, but pointed out that this was one of the areas he would have to touch on when that time came.

He was at the time speaking at a Press conference at the Caribbean Broadcasting Corporation's CBC Pine Hill studios.

Adams also said that during this year and the next, Government is unlikely to embark on any major capital works projects.

He said that in the past, it seemed as though the policy was to provide housing for the middle and upper income groups as West Terrace had turned out to be, but during 1982-83, Government would be looking at assisting owners of chattel houses who wanted to upgrade them with aid from the United States Aid for International Development (USAID).

The Prime Minister, dealing with wage restraint and the negotiations between the Barbados Workers' Union (BWU) and the Barbados Sugar Producers Association (BSPA) said there was a need for an "element of realism" in negotiations. He said that there was a tense situation facing the Government with respect to sugar.

With regards to general negotiations, he said it was not the policy of his Government to legislate salaries, but each case will be dealt with separately.

When questioned about whether the Government had gone to the International Monetary Fund (IMF) in the present economic situation, Adams said "no".

However, he later said they had in fact gone to the IMF, but only to see if they could be any compensation for the sugar shortfall. This was not possible for technical reasons.

The Prime Minister also said that the nation had weathered 1981 without any significant increase in unemployment and pointed out the figure could be compared with those of any developing country.

On defence spending, the Prime Minister said that during the past year there had been some spending in this area, but this was considerably reduced in the '82-'83 Estimates.

Adams also said that with the Heywoods Holiday Project, the estimate for this during the DLP administration was \$18 million which later rose to \$28 million and then went to \$36 million.

However, he said, this was above the level of funding for this project by the World Bank and that they had refused to look at it any further, just as they had done with the cement plant at first.

He added too that they would have liked to cut back on the size of the project, but since the contractors had started all the hotels together this was not possible.

Still dealing with the World Bank, the Prime Minister said his government would have to voice some concern to that organisation over proposals to cut back lending to some countries which had developed to a certain extent.

BRIEFS

AID FOR ST LUCIA--The Prime Minister and Minister of Finance and Planning, Mr. Tom Adams, recently approved the purchase of EC\$500 000 in St. Lucia treasury bills by the Central Bank of Barbados. This is part of Government's policy of economic assistance to Caricom partners. Settlement of these bills was made through the Central Bank's account with the CARICOM Multilateral Clearing Facility (CMCF). Since the Central Bank of Barbados is a creditor to the CMCF, this purchase does not necessitate an immediate outflow of hard currency. Barbados has rendered similar assistance over the years to other Caricom countries, including Jamaica, St. Vincent, Antigua, Dominica and Belize. [Bridgetown ADVOCATE-NEWS in English 8 Jan 82 p 1]

NEW PATROL VESSEL--The Barbados Defence Force has another patrol vessel. The Coast Guard vessel is the HMBS Excellence which arrived in Barbados from Trinidad last Thursday night. The vessel, which was one of those converted from a shrimp trawler, arrived with 10 crew members, including two officers. This vessel, which is the fifth operated by the Coast Guard, will assist with rescue and emergency operations. [Bridgetown ADVOCATE-NEWS in English 11 Jan 82 p 1]

CSO: 3025/147

POLL INDICATES FIGUEIREDO POPULARITY ON RISE

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 2 Feb 82 p 5

[Text] Although the majority still disapprove of the way in which he has been governing the country, President Figueiredo's popularity has been rising in the last 12 months. These data are from the public-opinion polls the Gallup Institute has been conducting quarterly since May 1979 and show a rising curve in public approval of the chief executive's performance.

In the most recent poll, taken in December 1981, President Figueiredo had 46 percent approving, compared with 48 percent not approving, a popularity rating of 2 negative points (the difference between the two percentages). But even so this is a favorable sign for the government, as throughout 1981 these indices have shown constant improvement in the president's popularity.

After 1979, his first year in office and the time of his highest approval ratings, with as much as 21 positive points, 1980 showed an enormous and constant drop in Figueiredo's popularity, beginning with 15 negative points in February and reaching 30 negative points in November.

But the first poll taken in 1981, in February, already showed a rise, really a decline in disapproval, which fell to 21 negative points, resulting from 36 percent of those polled approving Figueiredo's performance compared with 57 percent who did not approve. This trend continued during the following months, going to 16 negative points in July (39 percent in favor and 55 percent against) and 12 negative points in September (40 percent approving and 52 percent disapproving presidential performance). In December, finally, the 2 negative points, which mark President Figueiredo's highest popularity (or lowest unpopularity) since the end of 1979, were reached.

The polls, made with samples representative of the Brazilian urban population in 20 states, interviewed 2,500 persons and also led to other conclusions. The percentages approving the president's performance are always greater in the cities with fewer voters, descending according to the increased number of voters..

Approval ratings also decline when passing from the North to the South of Brazil. In the North and Center-West the Figueiredo government's popularity index reaches 21 positive points. This figure falls a little, although still with a positive rating for the government, in the Northeast, where it is 11 positive points. But in the East region disapproval is greater than approval and Figueiredo registers 3 negative points. The greatest disapproval occurs in the South region, where the president's performance received 12 negative points.

PCB SECRETARY GENERAL STRESSES UNITY OF OPPOSITION

Sao Paulo VOZ DA UNIDADE in Portuguese 8 Jan 82 p 3

[Interview with Giocondo Dias, secretary general of the PCB [Brazilian Communist Party], by DIARIO MERCANTIL in Juiz de Fora on 29 December: "Opposed to Tyranny and Politics of Confrontation"; name of interviewer not given]

[Text] "The November package, which is a monstrosity, is entirely consistent with the logic of the liberalization policy. Those who had confused liberalization with democracy were forced to change their minds. We communists never fell into that error. Our strategy for struggle against the regime is clear: against tyranny and the politics of confrontation it wants to provoke; in favor of unity of all democrats, organized mobilization of the workers in their unions and creation, expansion and occupation of all democratic ground," asserted PCB Secretary General Giocondo Dias in an interview by DIARIO MERCANTIL of Juiz de Fora on 29 December, where he stopped for several hours on his way to Salvador.

Giocondo Dias analyzed the national political situation, discussing various problems, among them the relationship between the military and civilian society, characteristics of economic development promoted by the 1964 coup, the need for an overall democratic alternative for Brazilian society assuring political democracy and redirecting the economy, and the importance of the 1982 elections.

DIARIO MERCANTIL: You are known as "the silent one"; of all communist leaders, you are the one who makes the fewest public appearances. So the first question is: What subjects may we discuss in this interview?

Giocondo Dias: Now see here: I do not avoid public appearances. I have just recently taken part in discussions at universities and labor unions; I have written newspaper articles (and not only for the VOZ DA UNIDADE, the communist weekly) and so forth. The fact is that I speak out only when it is really necessary. In our interview you may take up any subject you wish. Communists are not mysterious conspirators.

DIARIO MERCANTIL: Let's begin, then, with the national situation of the PCB. You succeeded Prestes as the party's secretary general. In an interview Prestes gave us, he made several criticisms of the party's current policy. Is he right?

Giocondo Dias: PCB policy is decided by a collegial leadership that expresses the organization's collective position in line with the latest party congress, which in this case is the policy formulated by communists at the Sixth Congress, held in 1967. Until recently, Comrade Prestes considered this policy correct. When he began expressing peculiar differences of opinion, the leadership sought to discuss these with him, Prestes refused to do so and adopted attitudes that were in direct conflict with democracy and communist discipline, which he had always viewed as essential in the Leninist view. We remain open to debate as long as it follows procedures consented to by the membership. And Prestes continues to refuse, preferring to act outside the party.

DIARIO MERCANTIL: Then the party fired him?

Giocondo Dias: That's not exactly what happened. Communist leadership believes that collective work is the only correct way to guide communist activity. Otherwise there is no debate, no discussion, no internal democracy--there is bossism and self-seeking individualism. The party leadership could not operate with a secretary general who refused to do usual and necessary work. They met and, by the accepted and democratic process, removed him as secretary general. We do not have lifetime tenure for office holders. One of the characteristics of communists is that all positions in their organization are filled through direct elections.

DIARIO MERCANTIL: And what about the policy differences?

Giocondo Dias: Prestes refused to discuss them, and as a result we communists do not know exactly what he proposes. Meanwhile, we are following the party line of the Sixth Congress.

DIARIO MERCANTIL: What, briefly, does this line consist of?

Giocondo Dias: The communists believe that the path of socialist transition in Brazil passes necessarily along the democratic way. The democratic struggle implies unity, from top to bottom, of all antidictatorial forces to defeat and replace the current regime. It is in this process of democratic reorganization that the means of sociopolitical mobilization will be created to bring about real economic and social emancipation of Brazil.

DIARIO MERCANTIL: In a word, the communist proposal suggests alliances with the bourgeoisie.

Giocondo Dias: Communist politics is not based upon discrimination. Realizing that today the central question of Brazilian life is the question of democracy, we are working to unify all antidictatorial persons and opinions, wherever they may be. Since 1964 our political practice is that of encouragement of and participation in the democratic front.

DIARIO MERCANTIL: What about the military?

Giocondo Dias: We do not divide Brazilian society between civilian and military. We think this simplification is naive and false. We have no antimilitary prejudice nor do we consider the armed forces a monolithic bloc. We are convinced that this

regime betrayed the armed forces, making them guardians of an antidemocratic and anti-Brazilian political system. But the military institution cannot be confused with the regime in its totality.

DIARIO MERCANTIL: In what you call the "democratic reorganization," where would the military fit in?

Giocondo Dias: In today's world it is foolish to debate whether or not we should have powerful armed forces; it is an objective fact that they must be modern and professional. We believe they have a role to play in society. But we advocate that this influence be exerted in a democratic, institutional and constitutional manner under strict social control.

DIARIO MERCANTIL: You reduce the Brazilian problem to the question of democratization?

Giocondo Dias: Absolutely. Democracy is not a panacea. Democracy of and by itself will not solve the historic economic and social problems we have accumulated for centuries, nor will it be the miraculous cure for the ills which this regime aggravated and engendered during 17 years. We merely assert that there is no solution for Brazil's problems without democracy. Just look at the results of 17 years of dictatorship...

DIARIO MERCANTIL: Do you deny that the nation grew during those 17 years?

Giocondo Dias: Of course not. Its economic model developed productive forces and modernized the nation. But how was it done? In an antidemocratic and anti-Brazilian way: it mortgaged the nation to imperialism and increasingly excluded the mass of the people. During the whole 17 years the regime resulting from the April 1964 coup did not solve a single national problem--corruption (read Hugo Abreu's report), inflation (think of your own salary), not to mention regional inequities, the agrarian problem, impoverishment of the people, and so forth. This regime is perfect proof that without democracy any solution for Brazil is unthinkable.

DIARIO MERCANTIL: But if democracy is not a panacea...

Giocondo Dias: Let me summarize: We assert that democracy is the precondition for solving our problems. With that as a basis, the working classes can find ways to redirect the economy that take their interests into consideration. We see democracy as the base for a comprehensive alternative for Brazilian society. As this century draws to a close, we believe that only an all-inclusive democratic program can make an enlightened Brazil feasible--and not the experimental laboratory of the technocrats who have made no commitment to the mass of the population.

DIARIO MERCANTIL: Does the PCB have such a program?

Giocondo Dias: The PCB is not a dogmatic party: we do not believe we have sole possession of the truth. Of course we advocate a certain program for our country: structural transformations that open the way to socialism, the only form of social organization capable of correctly defining the problems of economic and social life. But we believe the overall alternative the nation demands should be the product of

wider discussion by all segments of the population and society. Without mobilization and organization of all segments of Brazilian society political survival of any program would be impossible. This is why the democratic demand for a freely elected and sovereign national constituent assembly takes on the significance that all democrats rightly attribute to it.

DIARIO MERCANTIL: Since 1964 communists have been advocating the need for democracy. Many, however, doubt communist sincerity in this regard. How do you view this issue?

Giocondo Dias: Throughout its nearly 60 years of existence, the PCB has made many mistakes. We did not always attribute to political democracy its real value in the struggle of the working class. We have now become aware that democracy is not a tactical question--it is a strategic question. But I will answer you with another question: Since 1922, has there ever been a dictatorship in this nation that did not persecute the communists? Also in Brazil, anticommunism only serves as a pretext for greater assaults upon human and democratic rights. Look at 1964: a coup supported by imperialism, reaction and anticommunist rhetoric. Demagoguery deceived many. As everyone now knows, in the aftermath of April it was not only the communists that were affected: it was Brazilian society that lost its civil rights. It is partly for this reason that the most clearheaded bourgeois political leaders now support the struggle for full freedom of party organization. Advocating the PCB's right to a legal existence, from Tancredo Neves to Severo Gomes they know there cannot be democracy without communists or against communists.

DIARIO MERCANTIL: Isn't liberalization a road to democracy?

Giocondo Dias: The regime's liberalization program has nothing to do with democracy. Just recall the repression of the ABC [refers to industrial sections of Santo Andre, Sao Bernardo do Campo and Sao Caetano do Sul] workers, the Riocentro incident and the November package. This so-called liberalization is an attempt by the regime to reform itself: isolated, eroded by enormous contradictions and openly repudiated by the mass of the people (remember the 1974 elections), the regime wants to implement a less rigid political model, able to absorb a certain type of pressure but capable of preserving its essence: a regime at the service of imperialism and domestic and foreign monopolies. The so-called liberalization of the regime is an attempt to neutralize the democratic aspirations of Brazilian society, leading to a political system that institutionalizes arbitrary government. Of course, the real process of democratization that we have experienced since 1977-78 is something objective, but is the result of the confrontation between the liberalization program and the authentically democratic commitment of the working class and its structural and ultimate allies. This process exists and we believe the most likely trend is that it will become strengthened, threatening the regime's survival. But the latter, which still has strength, has taken the offensive--the November package, which is a monstrosity, is consistent with the logic of this political liberalization. Only those who confused this liberalization with democracy were surprised. We communists never fell into that error. Our strategy of struggle against the regime is clear: against tyranny and the politics of confrontation it would like to see; for the unity of all democrats, the organized mobilization of the workers in their unions and creation, expansion and occupation of all democratic ground. For this, by the way, the electoral process of 1982, with all the restrictions the regime will certainly impose upon it, will be very important. There is no casuistry that can defeat the people. And we are going to participate actively in 1982.

DIARIO MERCANTIL: But isn't the PCB an illegal party?

Giocondo Dias: But communists act as the citizens they are. Of course, illegality greatly limits our contribution to the democratic struggle. But the democratic reorganization of Brazilian society inevitably will put legalization of the PCB on the agenda. No serious and honest political force or personality in this nation denies the need for the PCB to exist legally--for example, look at the position of Afonso Arinos. In the legality we are going to achieve, achieving with the Brazilian people the minimum civil rights, we will be able to fight explicitly for the territory we believe to be our own--that of a proletarian party, historically rooted in national life but young and adaptable, open to all working classes, flexible and open to debate and innovation, firmly committed to constructing socialism. We want legality: we want society to know, judge and evaluate the program and practice of communists. And our legalization will be the sure indication that the nation is marching to democratic normalcy: without legalization of the PCB and all other points of view and activity, all Brazilians will be only partial and restricted citizens.

DIARIO MERCANTIL: How is the PCB doing in Juiz de Fora?

Giocondo Dias: As you know, I am just passing through during a strictly personal trip. I did not make any political contacts. But the Juiz de Fora comrades can reply correctly to your question. I just want to mention--and I'm sure you already know this--that the PCB has been present in Juiz de Fora since the 1920's. When the city was becoming an important industrial center the party already had roots here. There were martyrs in the underground struggle--I remember, for example, a party member named Zudio, killed by police in the dark days of the 1940's, in Sao Mateus, if I am not mistaken. In the legal struggle, we made a large contribution to legislative action in Juiz de Fora: our comrades in the municipal chamber between 1947 and 1950 were well known for their integrity and efficiency. This, moreover, was reflected in the party leadership: a comrade from Juiz de Fora, Lindolfo Hill, participated in it. Moreover, even after the 1964 coup, when we were in deep trouble, Juiz de Fora communists always resisted. During the worst days of the dictatorship, between 1970 and 1975, they did not cease to fight and participate in local activities. Here also reaction was not able to carry out its intention to liquidate the communists.

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CSO: 3001/75

GUIMARAES SAYS ONLY VIOLENCE WILL PREVENT PMDB-PP MERGER

Sao Paulo FOLHA DE SAO PAULO in Portuguese 24 Jan 82 p 4

[Interview with Federal Deputy Ulisses Guimaraes, national chairman of the PMDB [Brazilian Democratic Mobilization Party], by Pedro Del Picchia: "Only Violence Will Prevent Merger, Says Ulisses"; date and place of interview not given]

[Text] "Absorption of the PP [Popular Party] by the PMDB is an accomplished fact and the government can prevent it only through violence," asserted Deputy Ulisses Guimaraes. The national chairman of the PMDB sees no legal basis for challenges to the merger and predicts--"for Sao Paulo and many states"--a PMDB victory in the November elections.

In an interview by FOLHA DE SAO PAULO, Ulisses Guimaraes expressed his conviction that the electorate will combat the casuistries introduced by the November package by means of the "expedient vote"--the vote given to the opposition party the voter believes has the best chance of defeating the government party.

According to the PMDB chairman, "the government we have" is a government by "the wrong men in the wrong regime," even "like a sparrow picking at cornmeal," that cannot even decide upon the election rules it intends to adopt for 15 November.

Saying he opposes a new change in the legislation to allow current governors to run for another term, Ulisses Guimaraes believes that "in any event the people are against arbitrary government" and will defeat the PDS [Social Democratic Party] candidate, even if he is the governor of the state.

Ulisses believes that "a military minority still has a very influential presence in Brazilian politics," but believes the military "must be restricted to the constitutional definition of its role." The Sao Paulo deputy also reaffirms "the essential commitment of the PMDB to calling a constituent assembly."

'Government Does Not Know What It Wants'

FOLHA DE SAO PAULO: In your opinion, is absorption of the PP by the PMDB an accomplished fact?

Ulisses: I consider the merger an accomplished fact because the essential thing--which has occurred--is the political decision. The PP and the PMDB decided politically that they can serve the nation better by merging. In national conventions, the parties clearly expressed this political decision which is guaranteed by law, through an act of comradeship in the interests of both groups. It is astonishing that the government is meddling into this. The government wants to administer the opposition as well, but it has nothing to do with this. The government, in the case of President Joao Batista Figueiredo, who has arbitrary control of the PDS, is not accustomed to this; he seems to think he can do with other parties what he does with his own.

FOLHA DE SAO PAULO: Can the objections raised or intended to be raised by some PP factions hinder the merger?

Ulisses: The act of merger is political, the decision is political, the fact is political, in that the proper place to discuss the subject is the party convention. Other aspects are merely formal and should be challenged if, for example, the conventions of the parties concerned had been conducted dishonestly, which is not the case. The conventions were called in the proper manner, with appropriate time intervals and announcement of the agenda; the decisions were made by the required qualified quorum; everything was done properly. So such challenges do not worry us.

'We Do Not Yet Have Rules Established for Elections'

FOLHA DE SAO PAULO: Couldn't the government make use of further casuistry to void the merger?

Ulisses: The government can prevent the merger only through violence. But what I know of the government is that its majority ended up voting for the Badaro Amendment, committing itself to respect the merger of the PP and the PMDB. The vote held in Congress recently reaffirmed and consolidated the legality of merger. I don't believe the government wants to veto this; otherwise, where would its credibility be? We know that in Congress understanding, trust and fulfillment of agreements are essential. Of course, we have had bitter experiences in the past, but a veto would only bring discredit to the government and its majority. After all, of what use are its leaders, its representatives in the National Congress? So I absolutely do not believe there can be any obstacle to concluding the implementing phases of the PP-PMDB merger.

FOLHA DE SAO PAULO: Do you believe all the election rules have been posted or do you expect more changes?

Ulisses: What is characteristic of a democratic system, a democratic regime, is stability. In a democratic regime the will of the law, not that of individuals, prevails. Brazil, unfortunately, does not have such stability. So we are already in the electoral phase--deadlines have passed and others are approaching--and we still do not have fixed rules for voting. For 2 years the administration has been fiddling around like a sparrow in cornmeal--to do or not to do, to be or not to be. This goes to show that the government that has so much to say about agreement is itself in disagreement. In Brazil the government is the problem. And how can that which is the problem solve the problem? What happens in Brazil with

misgovernment is that it is now a problem, an institutional problem and one of men. They are the wrong men in the wrong regime: two wrongs. The wrong men if only because they have never gone through an electoral test. These people we have in the administration have never proven themselves in an election; they have never been councilmen, have never been deputies. And they sit there making up rules as if they know all about it.

FOLHA DE SAO PAULO: You and your party, as do the others of the opposition, criticize the government, but government men say you never do anything constructive, you do not offer suggestions...

Ulisses: They say we don't offer suggestions, but let me remind you that a recipe is not enough. If you give a good recipe to a poor cook, the rice is ruined, the beans are ruined. A good prescription is useless in the hands of a poor physician. There's no point in giving those people recipes and suggestions; for the most part they are incapable of following them. Furthermore, when we do offer suggestions they do not accept them. For example, over 100 amendments were proposed for the electoral package and not a single one was adopted. Why? Because what they did not want to amend was the deadline, so the bill would be approved automatically by the calendar.

FOLHA DE SAO PAULO: Even so, is it possible to have a dialogue with the government?

Ulisses: The regime has surprised society by showing its claws. It is thought that the claws are clipped, but they are not. The government does not know what it wants; the government is instability, the government is indecision, the government is disagreement, disagreement even with its own party. For example, in the case of the electoral package: We were conversing with Minister Abi Ackel and there was, in effect, an unwritten dismissal of the justice minister, because he did not know what would go into the package. It is clear he did not know, because if he had known it would have been foolish of him, talking with us while knowing that the package was being prepared. Unfortunately, what it amounts to is this: the government wants to win the election without having voters. It is a paradox; it is surreal. We can only call upon Kafka to guide the government.

'We Won in 1974 and 1978 With Cassations, Torture, Exiles'

FOLHA DE SAO PAULO: Despite all the uncertainties, if there are elections, could the opposition win them?

Ulisses: I think so; I am sure we can. And the proof is in the voting: we won the elections of 1974 and 1978; we won with the AI-5 [Institutional Act No 5], we won with cassations, with persecutions, with serious assaults on rights, with torture, with exiles. I am certain of victory and what especially convinces us is the government itself, because if it did not fear society, the voter, the ballot, the election, it would not be doing all this juggling, like a contortionist government that wants to win through manipulation. We, the opposition, are going to win in many states.

FOLHA DE SAO PAULO: In the case of Sao Paulo, Governor Maluf has been asserting that if he becomes a candidate he will be returned to the statehouse by popular vote.

Ulisses: I don't think the amendment permitting governors to be candidates to succeed themselves will be approved. The amendment is poorly timed--first, because we are already in an election campaign; in the second place, because we are in a country where the administration does the most outlandish things in efforts to pressure the voters. But in any event, the people are opposed to despotism and, whoever the government candidate is, he will be defeated.

'Military Must Collaborate for Democratic Life'

FOLHA DE SAO PAULO: Governor Maluf also said the PMDB is led by old men, such as Senator Franco Montoro...

Ulisses: I contend that criticism of this sort is an absolutely inappropriate and incompetent way to view the nation's problems. If this is all they can say against us, our chances of winning are all the better.

FOLHA DE SAO PAULO: Will Lula's candidacy for governor greatly harm the PMDB candidate?

Ulisses: The PT [Workers Party] is an autonomous, independent party. If it thinks it should run a candidate, it has the right to do so. Lula is one of the nation's respected leaders. The government decreed the "package" with the intention of splitting the opposition and preventing coalitions. But we contend that in Brazil a universal phenomenon of political sociology will be confirmed, which is called the expedient vote. The voter does not want to waste his vote and even if he has an ideological affinity for a certain party but thinks it has no chance of winning, he refrains from doing what he would consider optimum and does what he considers reasonable and expedient, voting for the opposition party that can really win. I believe that in Sao Paulo, strengthened even more by the PP, the PMDB will win.

FOLHA DE SAO PAULO: On several occasions, your name has been suggested as a possible PMDB candidate for president of the republic. If you were to become president, what is the first thing you would do?

Ulisses: I am not officially a candidate. Being a candidate would require a party convention. But everyone knows that our party's essential commitment is to a constituent assembly.

FOLHA DE SAO PAULO: In your view, is the Brazilian regime still typically military? Do the military still retain the keys to power?

Ulisses: A military minority still has a very influential presence in Brazilian political life. This is undeniable. Of course we in the PMDB acknowledge that the military have a constitutional justification; they have a role of the greatest importance in Brazil as anywhere else in the world; but they must be restricted to that role. What the military must do is really participate and collaborate in the process of normalizing democratic life in Brazil, bearing in mind that society should not be deprived of freedom.

LULA ACCUSES PMDB, PDT, PTB OF 'HALFWAY' OPPOSITION

Rio de Janeiro O GLOBO in Portuguese 31 Jan 82 p 5

[Interview with Luiz Inacio da Silva (Lula), chairman of the Workers Party [PT], in Brasilia: "Lula Accuses PMDB [Brazilian Democratic Mobilization Party], PDT [Democratic Labor Party] and PTB [Brazilian Labor Party] of Halfway Opposition"; name of interviewer and exact date not given]

[Text] Brasilia--Luis Inacio da Silva (Lula), chairman of the PT, said in an interview with O GLOBO that absorpt'on of the PP [Popular Party] by the PMDB served to demonstrate the difference in the social and economic nature of the PT and the other opposition parties. Accusing the PMDB, PTB and PDT of "halfway opposition," Lula said he has a good chance of winning the election for governor of Sao Paulo. If he wins, he added, it will be necessary to create a bond of solidarity with the armed forces, which he "will try to convince that the majority of the Brazilian people are not in the government offices but in the slums."

[Question] Do you really want to be governor of Sao Paulo?

[Answer] It is not a matter of wanting, but of complying with a party decision. And I will work hard to win the election in Sao Paulo.

[Question] Before the convention that chose you as its candidate, you urged them not to nominate you, alleging that the PT was not ready, did not have personnel to assume the responsibilities of governing a state such as Sao Paulo.

[Answer] No, that wasn't exactly the line of reasoning. My point was that the party is now organized in 18 states and that maybe it would be better for me to remain free to travel to all these states in support of PT candidates, rather than keeping me tied down in Sao Paulo. But the idea that won out at the convention was that I would strengthen the party much more if I were to be a candidate in Sao Paulo, because it would encourage other comrades to do the same thing in their own states. Our comrades thought it would be hard to explain to party workers why the person with the best-known name in the party was not himself a candidate.

[Question] Do you think you will be eligible?

[Answer] I never considered myself ineligible. My indictment under the National Security Law is the responsibility of the regime. In any country in the world the working class has the right to strike. In Brazil a labor leader is punished under the National Security Law for calling a strike. The executive branch makes the rules of the game in the political field. We know about the fragility of Congress, at least as now composed. The persons who belong to it do not want a political confrontation with the government. I think it is the president of the republic who will bear the blame, not by me personally, but by the Brazilian people and also at the international level, since he is trying to sell an image of democratic liberalization. The government will have to explain to the world why, in a country where there is political liberalization, a labor leader cannot be a candidate because he led a strike. But I am not worried; I'm sure I will not be ineligible. I am sure good sense and justice must prevail in my trial. And we are sure there are excellent chances of winning the elections in Sao Paulo.

[Question] Do you feel you have mastery of all the problems of the state of Sao Paulo and hence believe yourself to be capable of governing the nation's most developed state?

[Answer] If anyone says he has mastery of all Sao Paulo's problems, he is lying. It is impossible for one human being to know all the problems of a state as heterogeneous as Sao Paulo, which has a very contradictory social structure. What gives the PT a better chance than all other parties is awareness that it is not enough to know the problems, but it is necessary to be determined to solve them. I am sure that only the PT intends to solve the problems of the working class, of the people of Sao Paulo. It will, for instance, debate what investment will be made in education, health, transportation and agriculture. The PT is the only party that can make substantial structural changes in Sao Paulo State if state governors do not have financial autonomy or police power.

[Question] For example, how would you deal with having to suppress a strike?

[Answer] Maybe my answer is offensive and I shouldn't even say it, but what I think the governors really lack is independence of character. To the degree that you are a municipal mayor or state governor and know that power is concentrated in the federal government, you cannot expect the federal government to lend you money without a political favor in return. What happens in Brazil is that these persons submit to the federal government. Why? Because there is no link between such persons and popular movements. So a governor, of Sao Paulo for example, must tell the people about the state's problems. There is no point trying to undertake what cannot be undertaken, but you must point out what is wrong. It is not enough to say the state needs more autonomy; you must say why it needs more autonomy, why a certain thing was not done or a certain service not provided. You must explain that the federal government does not want to put money into those states where the opposition party is in control, where the state government does not see eye to eye with the federal government. You must not conform to a process of paternalism, of accommodation. You must make the people aware so they understand why things are not happening, why it is not possible to do certain things. The only way to create autonomy for the state is with the capacity and courage to organize the people.

[Question] How do you perceive your relationship with the military and police forces if you are elected governor of Sao Paulo?

[Answer] The Workers Party realizes that the armed forces are not a fictitious institution. They are a real institution, not only in Brazil but in all countries of the world. The Workers Party realizes it is being formed during a period that is still considered an emergency situation, as it also realized it must take part in elections within the rules imposed by the government. The PT, in fact, is trying to comply with the constitution of the republic. As governor of the state, I will be fully aware that the army, navy, air force and military police exist and that it will be necessary to create a bond of solidarity between the state and the armed forces. But it will be necessary to have a reversal of values. The governor of the state must help these persons understand that the people's problems do not center in the stock exchange or in the profits of the businessman, but in the marginalization of the vast majority of the population in Sao Paulo or in any other state. These active forces of the nation must begin to realize that Brazil is not the Brazil of Brandeirantes Palace or of Planalto Palace. Brazil is the Brazil of the slums, of the marginalized world. The PT is obliged to bring about this point of view, which until now has been the reverse.

[Question] Whom do you prefer as an opponent: Senator Franco Montoro or the government's candidate?

[Answer] I have no predilection for any opponent. The PT's objective is to defeat them both.

[Question] Which would be easier to defeat: the government or Senator Montoro?

[Answer] The government, which will enter the election already defeated. Even if the government were to invest half its budget in the election of a state such as Sao Paulo, it would still lose. There are new faces on the political scene in Sao Paulo and in the nation. The trust the people had in those who have been governing the nation until now is gone. Nothing they say will make any difference. It will do no good for Delfim Netto to create the "bigger lunch pail." The people know that for 12 years Delfim has been starving them to death. He is to blame for the stringent wage policy; he is to blame for inflation. He isn't going to reverse Brazilian society's opinion of him in 6 months or 1 year.

[Question] The PT is accused of jeopardizing the victory of opposition candidates. Do you consider this divisive?

[Answer] If indeed there were any solid argument for saying, before the merger, that the PT was dividing the opposition, it was not even necessary for the party to make a response. The merger provided the great response needed to prove that the PT is not really divisive. It is drawing into participation on the political scene a segment of society that had never participated. The obligation of the PT is to show the working class that political action is not just participating on 15 November in the elections, putting their vote in the ballot box. Political action is to struggle every single day to overcome tyranny, from the neighborhood to the union and to the party. It is very clear what this division is: division exists, historically, not because of the working class; the truth is that economically and socially we are divided. We cannot live in the same house where they live, have the same car that they have, or wear the same shoes that they wear.

[Question] Who are "they"?

[Answer] The ruling class and some sectors of the national bourgeoisie that belong to the opposition. There is a division. Why should we want to unite merely politically in order to use the working class to enable them to stay in power? The working class is the nation's largest social sector. It is those who are not with the working class that are divisive. Anyone who wishes to unite with the working class need only stand with it.

[Question] The PT, then, is the only party that intends to change Brazilian society?

[Answer] I have no doubt. The PT is the big political event of the 1980 decade. It is the only one proposed that seeks the organization of the working class and a more just society.

[Question] Then the declaration of the PMDB that it supports the workers and the lower-income classes is a lie?

[Answer] I am not taking issue with the PMDB. I am talking about the politicians, the candidates as a whole. Within the PT itself there will be no grand ally of the working class who gets up on the platform just to ask for votes, even knowing that the vote is essential in an election year. The real ally of the worker is that person who is willing to help organize the working class. The speech of promises will no longer be enough. And I want to have the chance to prove this in the 1982 elections. A substantial portion of the people of Sao Paulo and of Brazil will be able to perceive who is only talking and who is also doing.

[Question] Does this imply a nontraditional electoral campaign?

[Answer] One must stick to what is realistic. If I were to ask how you participated in the 1978 or 1976 elections, you would say that each one did his civic duty. He showed up at the polls, thank you, and put his ballot in the box. We think a redirection of the election issue is needed. Elections should be the result of an effort to organize the people, an organizing effort that so far has not been made in Brazil. I have heard it said that a candidate for federal deputy in the Northeast will have to spend from 40 million to 50 million cruzeiros to be elected. That a candidate of the halfway opposition for governor of Sao Paulo will have to spend from 300 million to 400 million cruzeiros and the government candidate will have to spend 1 billion cruzeiros... We are going to campaign without even the hundredth part of such lofty sums. Why? Because elections today are based upon the professional votegetter, whereas we intend to be elected on the basis of the militancy of the rank and file.

[Question] Which are the halfway opposition parties?

[Answer] One must distinguish between "opposition" and "opposition parties." There are parties that are in the opposition because they want to come to power, but they do not intend to make structural changes. I don't consider this to be opposition. I consider all parties that claim to be of the opposition--except the PT--to be halfway oppositionists.

[Question] Will the PT survive the 1982 elections? Will it receive the minimum number of votes required by the constitution (5 percent of the national vote and 3 percent in at least nine states)?

[Answer] The party has been legalized in advance. The number of votes is our problem. In the state of Acre, for example, we have enormous chances to elect the governor, and in Sao Paulo as well. In Rio de Janeiro we have a fighting chance for state governor. Many things can change in 6 or 7 months. It depends upon how hard you campaign to explain your political proposals.

[Question] With this proposal for such radical changes, do you think that if the PT wins it will be permitted to carry it out?

[Answer] We realize that the process of transforming a nation such as Brazil will not take place overnight, but slowly, with organizing the people, with gradual accomplishments. The party is complying with the law. It is doing nothing contrary to the nation's constitution. So, if we win the election but someone prevents us from taking office, it will not be the party's fault. But I don't think this is likely to happen.

[Question] When you were a union leader, you criticized the political class and said you rejected it. Have you changed your mind?

[Answer] In regard to the political class, no. I did change my mind about being in politics. Until 1978 I was a completely apolitical union leader. I felt the working class did not have to become engaged in politics. However, after the struggles of Sao Bernardo do Campo we discovered that union action cannot provide everything the working class needs, but can at the most improve the relationship between labor and capital. Political action is needed to restructure society. But I still believe there are few persons now in public office that have any commitment to the people.

8834

CSO: 3001/75

DECREE PREVENTS EBN FROM ACTING AS PROPAGANDA AGENCY

Rio de Janeiro JORNAL DO BRASIL in Portuguese 28 Jan 82 p 2

[Text] Brasilia--A presidential decree published yesterday in the DIARIO OFICIAL prohibits the Brazilian News Agency (EBN) from operating as an official propaganda agency. Since its current president, Marco Antonio Kraemer, took office 8 months ago the company has been meeting the demands of publicity agencies but not operating in the field of propaganda. Now, with the decree that amended the EBN bylaws, this restriction was made official.

The decree also established administrative subordination of the EBN to the Justice Ministry and policy subordination to the Press and Publication Secretariat of the Presidency. The previous bylaws connected the company with Mass Media Secretariat (SECOM), abolished at the end of 1980. Within 2 months EBN is to form its permanent staff.

Changes

Besides prohibiting the EBN from intermediating contractual propaganda services for the government, the decree provides for utilizing personnel of the erstwhile National Agency and calls for forming a permanent staff. Marco Antonio Kraemer said that professional qualification tests will be made in hiring additional employees.

He stressed that when he became its president, the EBN had 906 employees and is now down to 698, "a number that should decline even more with absorption of the personnel from the former National Agency." He revealed that the EBN permanent staff will have 737 employees.

According to the new bylaws, the EBN has, among its duties, "gathering, producing, transmitting and distributing, directly or in collaboration with the mass media, news regarding activities and events of public, federal and other administration [that is] of public interest, of a political, economic, financial, civic, social, recreational, cultural and artistic nature."

It must also "gather, prepare and distribute to mass media, public entities, private domestic, international or foreign companies, news photographs, graphic arts products, bulletins and informative programs of national interest by means of graphic, photographic, electronic, cinematographic or any other processes."

CLANDESTINE ARAB 'LIBERATION' GROUP FOUNDED

Bogota CROMOS in Spanish 15 Dec 81 pp 20-23

[Article by Ligia Riveros: "Arab Terrorism Arrives in Colombia"]

[Text] A man with a Central American accent called CROMOS and claimed to have some important journalistic material for the magazine. The next day, the call was repeated and an appointment was set up. The instructions entailed boarding a flight to Pereira, from which they took us to a certain location in the country to inform us on the activities and intentions of a new clandestine group that will operate in Colombia, training shock forces for the war in the Middle East. This is the first news concerning the new organization consisting of Latin American Arabs who entered the country via the Gulf of Darien, and who are seeking to carry their plans to the final consequences.

Known date: 6 December

Uncertain appointment: Avianca's next to last flight bound for Pereira.

Code: for me to appear dressed in red.

Despite the fact that it had been previously agreed that I was to appear alone in the Pereira airport coffee shop, I arrived with Jorge Torres, one of the magazine's photographers, and we sat down to wait. An hour later, at 2100 hours, we heard over the loudspeaker, "Telephone call for Ligia Riveros." Through the mouthpiece I recognized the same voice that had called CROMOS, when he said: "Who is the man with the blue jacket and briefcase?" Terrified, I answered, "He is a fellow worker. His name is Jorge Torres. You can check his identity on the magazine's banner." "All right," he said, "wait for instructions." And he hung up.

Fifteen minutes later, a man with a briefcase who had been sitting behind us closed the book that he was pretending to read, stood up and in passing brushed against our table, saying in an almost imperceptible tone: "Follow me." We took a taxi, and got off at the intersection between the airport and the highway. "You must wait," he ordered. I touched his briefcase and realized that it was heavy. I said to him, "What are you carrying there?" Silence. We learned later that it was dynamite. The man, who was young, with a curved nose, wearing jeans and a light shirt, was visibly nervous, and was chewing gum. A dark Simca went by us and, without stopping, slowed down. They opened the back door from inside, and motioned to us. We jumped

into the car. In front, beside the driver, who never spoke nor turned around, a dark man 30 years of age, with a mustache and kinky hair, said with a marked Central American accent, "Stoop down," and covered us with a jacket that reeked of tobacco. All that we had was questions: Who were they? What did they want? Why so much silence? An hour later, when we were on the open highway, he ordered us: "Get up;" and ended in a sharp tone: "Your papers!" When he learned that we really were journalists, he identified himself: "We are from the commando group backing the Arab cause. We are seeking the unity of the people. Our movement is made up of Latin American Arabs."

"How strange," I told him, "last week a meeting of Jews in Bogota to denounce the repression in Russia came to an end." He brusquely interrupted me: "Don't express opinions about Jews. Confine yourself to questions."

Suspicious of Jorge Torres' silence, the Central American asked him: "What is your role here?" "I am a photographer." Addressing me, he scolded: "Ligia, we warned you that photos were forbidden." I tested my powers of persuasion, but only succeeded in eliciting the comment, "We shall see whether we may be somewhat flexible in this case."

During the 4 hour drive, amid uncomfortable stooping and rising when people came and went, we held our breath every time a contact was made. Upon driving by bars, all we heard was a song by Raul Santi, one popular song after another; and on the road we noticed the scent of our coffee. Suddenly, the car came to a dead halt. Despite the heat, the Central American pulled up the zipper on his jacket, hung a small bag over his shoulder and said: "We have arrived."

We entered a house in wrecked condition. Inside there was only a wobbly table, a tile floor and a hall. The walls had disappeared. The man whistled and, like an echo, several whistles were heard simultaneously, accompanied by the beams from several flashlights. "We are covered. Don't worry. We shall respect your physical integrity." He left us alone a few moments, while he issued instructions. Then, slowly, almost counting each step, he gave a nod and opened the dialog by saying: "Ask questions, but be concrete."

With the Ringleader of the No 4 Latin American Backup Commando Group

Without light, only the flame from the match every time the Central American lit a cigarette, and with questions and answers like machine-gun fire, the interview lasted until dawn.

[Question] What is your name?

[Answer] Liberation commander.

[Question] What are you looking for in Colombia?

[Answer] Backing, backing from all those who believe in the cause of Arab and Palestinian liberation.

[Question] How long have you been in Colombia?

[Answer] Three months.

[Question] By what route did you enter the country?

[Answer] Via Panama; through the Gulf of Darien, to be exact.

[Question] With how many people?

No answer.

[Question] Who are the members of your commando group?

[Answer] Mainly Latin American Arabs.

[Question] Where were you born?

No answer.

[Question] Your parents?

[Answer] They are Syrians.

[Question] Why did you choose Colombia?

[Answer] Without becoming involved in international politics, or the politics of your country, because that is not up to us, we must say that Colombia is one of the countries most open to any type of foreigner who arrives.

[Question] Does your liberation movement in support of the Arab cause cover other countries, or does it exist only in Colombia?

[Answer] The coverage is total. We have different command groups in all the Latin American countries. The unity of the Arab people is our primary goal.

[Question] Please answer me exactly: What countries are included in your commando group?

[Answer] It is not my commando group; it is the commando group of the Arab people, and it has extensive coverage, as I have already told you. We here in Colombia are the fourth, and they exist in various Latin American countries, such as Venezuela, Panama, Ecuador and Peru, among others.

[Question] I understand that you are the ringleader of the No 4 commando group operating in Colombia. It is clear that each country has its chief for the various commando groups. Who and where is the leader of this movement to back the Arab cause?

No answer.

[Question] What does it mean to you to have come to Colombia, a country so far from the Middle East, from your roots and from the liberation that you desire?

[Answer] Unity can be acquired only through the conscientization of the Arab people themselves throughout the entire world. In many places, in many countries, there are Arabs who really do not understand the all-importance of unity. We are struggling to have them join us, on the basis of their nationality and on the basis of the nation in which they were born. For example, if it were in Venezuela, to have them feel that they are Venezuelan Arabs, so that they may really command respect for the cause that we are defending through our liberation movement.

Training Camp in Colombia

[Question] Exactly what has your work been in Colombia, during the 3 months that this commando group has been in the country?

[Answer] There are a great many people in Colombia of Arab descent, as is the case all over the world. But it is not only the Arabs who sympathize with our cause. The No 4 commando group has recruited Colombians (we were to talk with two of them later) who love the Arab cause. We have both male and female personnel, who are being trained for the time of the great war, to fight on the side of the Arab armies.

[Question] Does that mean that you have training camps in the country?

[Answer] Affirmative.

[Question] How many? Where?

[Answer] One, and I cannot tell you where it is located, because of security.

[Question] How did the weapons enter?

No answer.

[Question] What type of weapons? Where were they manufactured?

[Answer] More modern than those used by the Colombian Army.

[Question] How many people are there?

No answer.

[Question] Are there women?

[Answer] There are Arabs of different nationalities, and also Colombian men and women who have proven to be excellent students.

[Question] Are any of them in any way associated with the guerrilla movements in Colombia, or have they been?

[Answer] No, we prefer that those who become members of our commando groups not have any association with this type of struggle. We prefer people between 17 and 30 years of age.

[Question] How do you recruit the Colombians?

[Answer] We never use pressure. They are the ones who voluntarily join, because they are familiar with the cause that we are defending, and think that it is worth the trouble to fight for it.

[Question] Describe a day in the training camp.

[Answer] The day usually begins at 0200 hours with gymnastics, and later hiking, and military training. There are discussions of the Arab cause. We often tune in the few news facilities that we have, such as the radio.

[Question] What type of radio?

[Answer] A powerful shortwave one. Now you can see how things are. The Americans are somewhat good for that. We also find out what is going on through the Arab broadcasts.

They Were Born in Managua and Are Independent of the PLO

[Question] Do you receive instructions from the Arabs in the East? Do you have anything to do with the PLO?

[Answer] From the very outset, our organization has been totally separate from the PLO on the organizational chart. We are seeking first of all the unity of the Arab people. When we are united in all the camps, and when that great attacking army is ready to bring us in confrontation with the imperialists, then we shall be able to say that the entire force is united in a single cause. For the present, we are independent.

[Question] How and where did the commando movement in support of the Arab cause come into existence?

[Answer] It came into existence in 1975, in Managua.

[Question] Why in Nicaragua?

[Answer] Because at that time the Nicaraguan Arabs wanted our country to have a lasting peace, and that there be none of that dismemberment. This idea was instilled there, and we began the great movement on a worldwide scale. After Nicaragua, we went to El Salvador. If I am not mistaken, General Romero was in power. It was our lot to witness the great slaughter of 29 July 1975 in the famous "country of smiles." Those were the things that prompted us to reconsider, to think: In the Middle East there are support, force and shock commando groups, but on the Latin American level we are completely unprotected and helpless. It was then that the idea of the backup commando groups in these Latin American countries acquired more force.

We Are Not Barbarians

[Question] The Arabs have a reputation for being terrorists, for being violent, for not giving in to anyone or anything. People fear the Arabs.

[Answer] Every type of struggle through the ages has been hard. They really consider us to be atrocious because of the decisions that we make, because we are radical; but we are not barbarians. It is merely circumstances which make humans barbarous. If we observe events through the ages, the Americans were barbarians in Vietnam, and so were the Nicaraguans in achieving their liberation from the Somoza regime, against that tyranny which threatened to become endless. We Arabs are being taken for common criminals and for the commandos of the brotherhood themselves.

[Question] What are the commandos of the brotherhood?

[Answer] They are ultrarightwing groups comprised of people who have sold the entire Arab cause for wretched banknotes. They are people without a country, for whom one cannot have any kind of consideration, because they have betrayed their country, their religion, and their race, and they really cannot exist among the Arab people.

[Question] Financed by whom?

[Answer] By Jewish imperialists and American imperialists. And they keep them in the Arab regimes to put up opposition, that opposition which befits all governments, but which in this case is detrimental, because it is not nationalistic but rather imported, with the deserters and all those who are betraying the Arab people.

[Question] Specifically, of what do you accuse the commandos of the brotherhood?

[Answer] Of attacks such as the one committed recently in Damascus, with a car bomb which killed over 100 Syrians and left a large number wounded. In other words, the first operation assassinated their own brothers for the cause of foreign imperialism.

[Question] How do you punish that betrayal?

[Answer] It is no mystery to anyone. If necessary, even dying.

[Question] And even killing?

[Answer] It is only logical: one dies in wars. If you don't kill, they kill you.

[Question] How did it happen to Sadat, a man who wanted peace?

[Answer] It was the very high price he had to pay in order to achieve the unity of the Arab people. Sadat should have taken into account the views of the other Arabs when signing any document with the Jews. Sadat did not consult with other Arab countries, and paid for his mistake, because the Camp David Peace Treaty has not actually brought any good results for the Arab people.

'We Shall Not Carry Out Violent Acts in Colombia'

[Question] Don't you think that when this news reaches the public you will be the ones harmed?

[Answer] We would have to make ourselves known some day. Understandably, after you publicize this meeting the tracking of us will begin. But you as journalists must be sincere in reporting that we shall not intervene in Colombian politics. Our mission, throughout the Latin American region, is to attain the integration of the Arab people. We are not engaged at present in any type of violent action to be carried out on Colombian territory.

The Central American threw the last cigarette on the tile floor and stamped on it angrily. Then he gave a whistle which we could scarcely hear, but which caused the flashlights to operate again in the gloom, with intermittent lights, as if they were sending messages in Morse code. Half an hour later, it began to dawn. On the return trip the chief of the No 4 commando group operating in Colombia told us about his life: that he began fighting at the age of 15; that he fought beside Commander Zero in Nicaragua; that years later he was tortured in El Salvador under a zinc roof with a constant temperature of 34 degrees, in a room with 300 light bulbs; that they applied the "eye-opener" to him, a kind of ring which does not allow one to blink; and that a Sandinist commando saved him from being shot. He described it without distress and without changing the tone of his voice, and then concluded by saying: "They are the consequences of the struggle."

Somewhere on the highway the Latin American Arab got out while the car was moving. Three hours later, the driver let us off near the Hotel Zoratama, in the middle of downtown Pereira.

2909

CSO: 3010/619

'MAS' RELEASES LAW PROFESSOR, STUDENT

Bogota EL ESPECTADOR, in Spanish 18 Jan 82 pp 1-A, 7-A

/Text/ After apparently remaining in the hands of the clandestine organization called Death to Kidnappers (MAS), the professor of constitutional law in Externado University of Colombia, Ricardo Sanchez and the student, Mabel Cabanillas, who had been kidnapped Thursday night in the northern part of Bogota, were freed yesterday.

The kidnapping of the professor and the student bordered on the spectacular since it was perpetrated by no less than 15 men armed with modern weapons and provided with "walkie-talkies" who appeared at the professor's apartment, surrounded it, climbed to the roof of the building and giving the impression that it was a military operation, waited until the professor and his student left the apartment to seize them.

According to the information obtained by the editorial staff of EL ESPECTADOR, the professor and the student furtively carried off to a Land Rover camper which was parked in front of the building together with a station wagon and apparently an automobile.

Several hours after the kidnapping some of the members of the group again entered the apartment and undertook a minute inspection leaving the apartment in disorder and taking some unspecified articles.

A Strange Contradiction

In the belief that the capture had been carried out by the Brigade of Military Institutes, two lawyers arrived at the brigade's office and obtained the report that the professor and the student were there. However, such information was later corrected by B-2, who maintained that at no time had professor Sanchez and the student Cabanillas been apprehended by units of that group, much less were they to be found in their headquarters.

The strange event interested the Permanent Committee for the Defense of Human Rights, whose personnel initiated measure's to establish the whereabouts of the lawyer and the young woman who had been at the professor's apartment for the purpose of preparing a thesis.

Freed Blindfolded

Yesterday at 0100 hours Mabel Cabanillas was taken blindfolded from the place where she was held captive and removed in a vehicle toward the area of El Salitre where she was abandoned without any money to get home. The young woman took a taxi and asked the driver to take her to her home where she arrived without further difficulty.

With regard to Dr Sanchez, he was freed, also blindfolded, at 0800 hours and under circumstances which could not be established since the professor was very reserved in this regard, surely for fear of some retaliation from his kidnappers.

Affiliated with the Socialist Revolutionary Party, headed by the sociologist Socorro Ramirez, Dr Sanchez is the author of various works, among them one entitled "Constitution" and for several years he has occupied the chair of constitutional law in the Externado Law University.

9678

CSO: 3010/717

BRIEFS

HONDURAN DENIAL ON KIDNAPPING--A commando of ELN [National Liberation Army] asserted in a communique sent to this newspaper that he kidnapped for 1 hour the Honduran diplomat, Ricardo Rodas Garcia, in reprisal for that country's supposed intervention in the affairs of El Salvador and Nicaragua and he added that he had set fire to the diplomat's automobile, sending as proof the blue license plate YT 0932 which was left together with the communique near the office of EL ESPECTADOR. The ambassador of Honduras said that no member of that mission corresponds to the name supplied by the guerrillas and the police authorities indicated that they had no news whatever on the possible burning of the diplomat's car. [Text] [Bogota EL ESPECTADOR in Spanish 18 Jan 82 p 11-A] 9678

MINERAL PRODUCTION FIGURES--The Banco de la Republica stated that with the exception of silver and iron, national production of minerals increased substantially in the first 9 months of 1981. A report from the Department of Economic Studies of that institution indicates that in the period January to September of the past year the production of gold reached 390,258 troy ounces, compared with 245,184 in the same period of 1980, a figure which represents an increase of 13 percent. The production of silver decreased 9.5 percent with 92,047 troy ounces in 1981 compared with 100,912 in the preceding year. In the case of hydrocarbons, the production of crude oil reached 35 million barrels, an amount which is compared to 34.1 million in the period analyzed in 1980, which indicates an increase of 2.6 percent. A decrease in the extraction of iron ore was observed going from 385,582 to 320,768 in the periods cited of 1980 and 1981, figures which show a decrease of 20.3 percent. As a result, the production of steel ingots decreased 6.8 percent. The Banco de la Republica commented that cement plants obtained, in the 9 months cited, a production of 3.3 million tons, compared with 3.2 million in the prior period, an increase of 3.3 percent. [Text] [Bogota EL SIGLO in Spanish 18 Jan 82 p 12] 9678

DROP IN UNEMPLOYMENT--An official source noted that unemployment in the country at the end of 1981 registered a rate lower than 8 percent, the lowest in the last 10 years. DANE [National Administrative Department of Statistics] will divulge in the next few hours, the statistical bulletin corresponding to this January, where figures on unemployment and the labor force, retail sales, industrial production, foreign trade, the construction sector, among other indicators, are presented. The last figure on unemployment, corresponds to the month of September when it was 8.1 percent. On comparing the figures on unemployment since 1971, it is estimated that the lowest rate was achieved in 1981. The conduct of unemployment in the country throughout the previous decade and the initial years of this decade are the following: In 1971, 9.4 percent; 1972, 8.6; 1973, DANE did not take a house-to-house survey; in 1974, unemployment reached 10.4 percent; in 1975, 10.6; 1976, 9.2; in 1977, 8 percent; in 1978, 8.4; in 1979 it settled at a level lower than 8 percent. [Excerpts] [Bogota EL SIGLO in Spanish 17 Jan 82 pp 1,10] 9678

BRIEFS

MILITARY UNIFORM BAN--Roseau, Dominica, Jan. 6 (CANA)--The Dominica authorities have issued a warning that it is an offence for persons other than policemen, special constables or members of the armed forces to wear military uniforms of any kind. According to the emergency powers military uniform prohibition regulations, persons are also prevented from selling or buying any military uniform during the period that this country remains under a State of Emergency. The Government of Prime Minister Eugenia Charles declared the Emergency here on December 19 following a pre-dawn attempt the same day by a group of armed men to seize power. Under the regulations enacted by the Government on December 29, any person who contravenes or fails to comply with the requirements shall be guilty of an offence and liable of summary convictions to a fine not exceeding EC\$500 or to imprisonment with or without hard labour for a period not exceeding six months, or both. The order defined military uniforms as combat or other distinctive dress generally worn by members of armed forces and includes any apparel designed to resemble such dress or any part. When the armed masked men attempted to take over both the island's main prison and police headquarters, they were reportedly dressed in military uniforms. Of the 13 people detained so far in connection with the incident, 10 of them were members of the disbanded Dominica Defence Force, including its Commander, Major Frederick Newton. [Kingston THE DAILY GLEANER in English 13 Jan 82 p 10]

OPPOSITION SENATOR'S RESIGNATION--Roseau, Dominica, Thursday, (CANA)--Opposition Senator in the Dominica Parliament, Pershin Waldron, has resigned his position in the House and also as President of the Dominica Labour Party of Ex-Prime Minister Patrick John. According to a letter read in Parliament today, Mr. Waldron, who had also served as Speaker during the John Administration, said he was stepping down because of "family and domestic reasons." His resignation becomes effective from January 31. Mr. Waldron was not in Parliament today. Mr. Waldron was recently identified with the newly-formed United Dominica Labour Party, whose chairman, until a Constitution has been drawn up and a convention held, is Michael Douglas. Mr. Waldron had contested the July 21, 1980, general elections as a candidate of the Dominica Labour Party, losing to Michael Douglas in the Portsmouth constituency. [Bridgetown ADVOCATE-NEWS in English 8 Jan 82 p 3]

SEIZURE OF BOAT, ARMS--Roseau, Dominica--Dominica's police have arrested five men, two French nationals and three Dominicans, after seizing a quantity of goods, including firearms, on the vessel on which they arrived here. Acting Police Commissioner Ensley Pierre, told reporters that among the goods seized were three double

barrel 12 bore shotguns, and nine flare guns. He said the police acting on a tip off, had been able to arrest the men on their arrival at a southern coastal village here on Sunday, loaded with the goods. The officer declined to name those arrested. Pierre said the boat La Tower De Beger had arrived from one of the neighbouring French islands. The goods seized by the police also included a wooden case of jewellery, a quantity of marijuana, one motor cycle and a ladies bicycle. The acting police commissioner said the men were being detained while investigations continued.

CSO: 3025/155

BISHOP DESCRIBES COCOA SCHEME, OTHER AGRICULTURAL PLANS

Bridgetown SUNDAY ADVOCATE-NEWS in English 10 Jan 82 p 3

[Text] St. George's, Grenada, Saturday, (CANA)--A massive cocoa rehabilitation scheme and miles of new feeder roads are among the major agricultural schemes planned for Grenada in 1982, according to Prime Minister Maurice Bishop.

He said his People's Revolutionary Government (PRG) was now spending 54 times more money on agricultural development than was spent under the Eric Gairy regime, ousted in a coup in March 1979.

"Our agriculture is originally becoming green once more and we must ensure that in 1982 it will be much greener," said Prime Minister Bishop in his New Year's radio-television address to the nation.

"At present, new scientific methods of cultivation and experimentation on new crops is underway. Also, proper methods of conservation and field sanitation are being employed, so that soil, water and plant resources can be saved.

"Increasingly, the application of science and technology to agriculture is overcoming old barriers and opening the way to greater production and full use of our land," Bishop added.

He cited the Mardigas Soil and Water Conservation Project which is bring dozens of acres of useless scrub land into productive use as "the most impressive agricultural innovation in our country, and possibly the Eastern Caribbean."

Much progress has been made in agriculture in the two years and nine months of the revolution, but many grave setbacks have also been experienced such as hurricanes, floods, freak wind storms and disease, which have brought considerable destruction to cocoa, nutmeg and banana crops and to roads and bridges.

Furthermore, millions of dollars in vital foreign exchange have been lost as a result of the collapse of cocoa and nutmeg prices on the world market.

The Prime Minister said that 1982 would also see more agricultural cooperatives and training programmes for youths interested in agriculture.

The leader of the Grenada Revolution emphasised the social and economic importance of agriculture to the nation by describing it as the "motor of our economy", the pillar and bedrock of our entire economic system."

Forty per cent of Grenada's gross domestic product and half of all foreign exchange earnings come from agriculture.

Almost 7 000 Grenadians work full time in agriculture and over 35 000 citizens depend directly and solely on the soil for a living, he said.

Before the revolution, the average age of a Grenadian farmer was 62 years, but as the recent agricultural census Shows the average now to be 51 years, an indication that more unemployed youths have since become involved in agriculture, the Prime Minister said.

"This is undoubtedly a hopeful sign for the future and we eagerly look forward to a significant increase in this youth involvement in 1982," Bishop said.

CSO: 3025/148

INDUSTRIAL DEVELOPMENT PLANS EMBRACE BROAD INITIATIVES

New Products

Bridgetown SUNDAY ADVOCATE-NEWS in English 10 Jan 82 p 3

[Text]

St. George's, Grenada, Saturday (CANA) — GRENADA's new Industrial Development Ministry plans to manufacture a number of items this year including nutmeg oil, ice-cream, reconstituted milk products as well as processing the island's world famous spices, the Government Information Service (GIS) announced.

In addition, the Ministry is planning to open a new sheep and pig farm which will add to the country's stock of cheaper and good quality meat and provide the capacity for ham, bacon and sausage production.

The Agro-industrial plant which last year produced thousands of canned and bottled mango nectar, tamarind nectar, guava-banana juice, nutmeg jelly and hot sauce will be expanded during the year to

meet the ever-increasing demand for its products, the GIS said.

In his New Year's message, Prime Minister Maurice Bishop said that in only a few months of operation, the agro-industrial plant had provided \$50,000 in revenue to 800 small farmers and 18 state farms.

Coffee, now being processed for the first time in Grenada, showed healthy economic returns on investment, and sales of local handicraft through "Grencraft", a newly-established state retail outlet, were very encouraging, Bishop added.

He also disclosed that the fishing industry had registered impressive gains, with a total catch of 55,000 pounds of fish in the last six months of the year by the six state-owned fishing trawlers given to Grenada by Cuba.

NACDA Activities

Bridgetown ADVOCATE-NEWS in English 11 Jan 82 p 3

[Text]

ST. GEORGE'S Grenada Sunday (CANA) — Grenada's National Co-operative Development Agency (NACDA) has announced plans to undertake a number of initiatives this year to help boost the country's economy.

According to government radio, the agency will, in addition to carrying out its present programme of expanding fishing and agricultural co-operatives, be

involved in developing agro-industries, light industries, as well as craft and furniture making.

The radio report also said that NACDA hoped to develop two craft and furniture factories in Grenada where the items produced would be put on sale at Grencraft, a handicraft centre established last year by the government.

The report noted that most of the agency's plans for the establishment of factories are

for making items such as shoes, clothes, and processing agro-products, such as golden apples and paw paw.

NACDA was established by the government to help unemployed youths identify lands they are willing to work and to carry out feasibility studies and negotiate with land owners for either freehold or leasehold purchase of the land which is then turned over to the co-operative.

BRIEFS

BANANA INDUSTRY UPGRADING--St. George's, Grenada Sunday (CANA)--The Grenada Banana Co-operative Society has announced plans to upgrade the industry which last year faced serious problems through disease and low returns for exports to Britain. The association said in a release that it was projecting an export target of 6.0 per cent higher than the 1981 level. The society said that as part of its efforts to upgrade the industry it would be continuing its pest and disease control programmes, as well as strive for the adoption countrywide of a method of sleeving and deflowering of the fruit which would help to improve the quality for export. The society also plans to set up a banana-ripening room, re-equip boxing plants and increase the number of workers involved in the process of field-packing the fruit. The optimistic outlook for the industry this year is based on the greater accessibility to banana fields resulting from the construction of feeder roads by government, as well as the positive interest being taken by the state-owned Grenada Farms Corporation in the production of bananas. [Bridgetown ADVOCATE-NEWS in English 11 Jan 82 p 3]

CSO: 3025/148

DIAMOND, GOLD OUTPUT UP DUE TO NEW MONITORING SYSTEM

Georgetown GUYANA CHRONICLE in English 19 Nov 81 p 1

[Text]

THE new monitoring system implemented by the Guyana Geology and Mines Commission has had a "tremendous effect" on the declared output of gold and diamonds in Guyana, an official of the Guyana Geology and Mines Commission reported yesterday.

According to statistics released by the Commission, the quantity and value of gold and diamonds declared for the month of October, more than doubled that declared for the month of September.

During the month of October, 74 206 kilograms of gold valued at over \$3,08 million were declared by miners in four of the six mining districts, compared to 38 723 kilograms valued at over \$1,59 million declared for the month of September in five mining districts. The royalty paid for October was \$107736,74 compared with G\$57159,49 in September.

By the end of October, gold production in Guyana had reached a declared output of

72 206 kilograms valued at G\$15188016,66. And the royalty paid was \$549347,71.

The declaration of diamonds increased from 361,50 metric carats valued at \$52800,77 in September to 1 079,38 metric carats valued at over \$1,57 million in October.

Royalty paid on the diamonds increased from \$1768,75 in September to \$5311,53 in October.

The details show that 7376,87 carats of diamonds valued at \$107746 were declared from Mazaruni, Potaro and Cuyuni mining districts for the period January to October 1981. During this period also, \$36181,26 was paid in royalty. There were no declarations from the Berbice, North West and Rupununi districts.

Meanwhile, an official of the Guyana Geology and Mines Commission has expressed satisfaction over the success of the new and more efficient monitoring system introduced some six weeks ago.

CSO: 3025/149

PPP STATEMENT LAYS 'ECONOMIC RUIN' AT DOOR OF PNC

Georgetown MIRROR in English 22 Nov 81 p 1

[Text]

IN a week-end statement the People's Progressive Party has observed that the PNC regime is now admitting what is already well-known, that production in the three main sectors of the economy is continuing to plunge downwards. According to the statement:— "Official figures from Guysuco confirm that production for 1981 will be only about 80-85% of the target. And while there are yet no official figures for bauxite and rice, it is confirmed by workers and farmers in these two industries, that production has again fallen, despite glowing pronouncements earlier in the year that production would improve.

While the PNC regime looks for scapegoats and various excuses for this sorry state of affairs, the lack of democracy and popular involvement in decision-making is the basic reason for the production disasters facing the nation year after year.

The People's Progressive Party stresses that as long as this credibility gap between the people and the regime continues, the production scenario will continue to be one of pessimism and economic downturn. Rigged elections are stumbling block number one to greater national productive effort. Other factors could be

summarised as (1) inefficient and incompetent management of state enterprises as a result of the use of political patronage in jobs, training and promotions; (2) Alienation of workers and farmers through rigging of trade union elections and non-recognition of popular mass organisations in the productive fields; (3) Chronic shortages of replacements and parts for industries, inputs, tools, etc.; (4) IMF-dictated policies and austerity measures which have led to high taxes, frozen wages, increased prices for goods and services and retrenchment; (5) oppressive measures against the left and democratic forces, violations of human rights and various freedoms guaranteed in the constitution and (6) the exodus of essential skills through political and racial discrimination.

The policies of the ruling party have generated a dangerous syndrome of apathy, corruption, crime, juvenile delinquency, prostitution, beggary, emigration and crumbling production. It is abundantly clear that the PNC has no answers for this worsening situation. That is why the People's Progressive Party has chosen the slogan under which it is at present operating: "Organise and Resist!"

BRIEFS

BAUXITE SHORTFALL--Georgetown, Guyana, Jan. 22 (CANA)--Official bauxite production figures for 1981 show shortfalls of up to 30 percent which will result in a drop of 150 million dollars (1 Guyana dollar; 33 cents U.S.) or 10 per cent of total foreign exchange earning expected of the Guyana economy for the year. According to the figures, which appeared in the Bauxite Industry Publication "Guymine News" production of calcined bauxite, a major foreign exchange earner, was down to 514,000 tons. This was 30 percent below planned levels, as was the case with metal grade bauxite, with an output of 640,000 tons, and alumina, with 170,000 tons produced out of an original target of 240,000 tons. Chemical grade bauxite production at 335,000 tons was 15 percent below target. Production last year reflected a general downward trend in the industry since 1970. Commenting on the situation, the House organ of the state-owned industry, "Guymine News", said that "1981 has been a miserable year in terms of production".

LOANS FOR REGIONAL DEVELOPMENT--The Sarvodaya Development Education Organisation (SARDEO) will shortly receive a loan of US\$270000 from the Inter-American Development Bank (IDB). According to a release from the IDB, the organisation will also receive a technical co-operation grant of US\$56000 from the IDB Fund for Special Operations. It is expected that the loan will help improve living standards of members of the organisation which is based in the Mahaica area on the East Coast, Demerara. The loan will also help to provide financing for agricultural crop production, livestock and dairy production and the processing of agricultural products through the use of appropriate technology. Specifically, it will involve the construction and equipping of a farmers' supply centre, a products processing and marketing centre, a technology centre/workshop and the purchase of agricultural supplies such as fertilizers, seeds, tools and equipment. The loan has a 40-year term, with a one per cent annual commission. It is expected that up to \$185000 will be disbursed in U.S. dollars or other available foreign currencies and the remainder in Guyana dollars. It will be repaid in semi-annual instalments, the first of which is due ten and a half years from the date of the contract. SARDEO is currently engaged in farming and several cottage industries. The loan is expected to assist in the generating of employment. It is also expected to stimulate the use of appropriate technology and to assist in the developing of new products. SARDEO was created in 1976 to foster social and economic development in rural areas throughout Guyana. It currently has about 23 organised community groups, with a membership of 4 000 persons. [Excerpt] [Georgetown GUYANA CHRONICLE in English 25 Nov 81 p 1]

FESITRANH ANALYZES ELECTIONS, STATES FEDERATION'S POLICY

San Pedro Sula LA PRENSA in Spanish 19 Dec 81 p 22

[Text] The Union Federation of Northern Honduras Workers (FESITRANH), an organization of the workers with a democratic orientation in our country, has published a document in which it analyzes the 29 November elections.

The main portion of its text reads as follows:

"Modern trade unionism is supported or guided by clearly defined political-ideological platforms which are closely linked with the political movements or parties which sponsor them.

This is a historical reality demonstrated by the existence on the world level of three trade union confederations or central organizations which are markedly different in orientation. They are the International Conference of Free Trade Union Organizations (ICFTUO), which is the international labor arm of the social democrats; the World Confederation of Workers (CMT), which represents the Christian Democrats; and the World Federation of Trade Unions (WFTU), which promotes and defends Marxist-Leninist interests.

These great international trade union organizations are represented in Honduras by the Confederation of Honduran Workers (CTH), the General Workers Federation (CGT), and the United Honduran Workers Federation (FUTH), respectively.

But it is essential to note that the Free and Democratic Honduran Trade Union Movement (FESITRANH, FECESTITLIH [Central Federation of Unions of Free Honduran Workers], CTH) does not support, much less is an appendix to, any political party in our country, unlike the other two Honduran trade unions, which are clearly aligned with the political parties of the Christian Democrats and communists, like the world trade union organizations mentioned above, with which they are also affiliated.

Based on our absolute independence and entirely free of any party interference, but fully recognizing that political democracy can only be exercised jointly with social democracy, because a people can only be free if they participate in their own economy and enjoy its benefits, the executive committee of the FESITRANH issued a general public appeal a few days prior to the elections, urging its thousands and thousands of federated members working in the rural sector and the cities to go en masse to the polls on 29 November to cast their votes freely and spontaneously for the political parties and candidates with whom they sympathized.

Thus we confirmed our absolute respect for the political pluralism which prevails within our ranks, and once again we became aware of the leading role played by the free and democratic trade union workers, who must ensure, through their votes and not through violence, a promising future for our country and the triumph of democracy, certain of the full validity of the principle which says that there is no universal formula for democracy, and that each country must find its own path toward freedom and social justice. With the popular choice of a new constitutional government, we advanced at least one step toward the achievement of this goal.

Thus the people of Honduras cast their electoral verdict, and the results thereof will without a doubt indicate that the Free and Democratic Honduran Trade Union Movement participated conscientiously and effectively in the election of the new constitutional government which will control the destiny of our country for the next 4 years, indicating that the free and democratic trade union votes of the thousands of workers in the rural sector and the cities who serve under the banner of the FESITRANH have been channeled, nurturing a new hope for a better fate for our country, toward democracy.

What has been described above does not in any way reflect fanciful or opportunistic thinking. It is simply the tangible reality derived from concrete facts, the election results, observed in terms of the few votes won by the political party and the independent candidate whose political-ideological guidelines govern the other two Honduran trade union organizations, the CGT and the FUTH.

To give the electoral contest on 29 November and its results their just dimensions, we should note that 75 percent of the valid votes came from the worker-peasant sector, and the vast majority of these came from the free and democratic trade union movement. Without meaning to imply a sectarian class attitude or thinking, we can say that this fact places us on a truly militant level and gives us sufficient moral stature for the FESITRANH to formulate, at the proper time and with the responsibility and noble aims which characterize our free and democratic trade union movement, serious and concrete choice of plans for the elected constitutional government to consider, in connection with the effective implementation of the social, political and economic democracy which the people of Honduras in general and the organized workers in particular want.

The above concepts represent a summary of the analytical study of the national reality in the light of the results of the 29 November elections undertaken by the executive committee of the FESITRANH, in the certainty that it is fully reflecting the feelings and thoughts of its thousands of members--workers in the cities and the countryside, who are organized in the federated trade unions all over the country. We have responsibly analyzed the situation and concluded that the FESITRANH, faithful to the statutory principles which gave it warmth and life in 1957, will once again assume a firm position in defense of the eminently democratic principles for whose survival, full implementation and preservation the new constitutional government which has emerged from the very heart of the Honduran people must provide an economic, political and social system which will promote changes which are revolutionary but not violent in any way.

If we desire democracy as a political system, we must guarantee social peace by combating social injustice and by taking the steps which will allow the just and real participation of all Honduran citizens in the solution of the various problems which plague the people of Honduras today.

To this end, the elected constitutional government can rely on the unselfish social support of the Union Federation of Northern Honduras Workers.

San Pedro Sula, 16 December 1981 (signed by the Executive Committee of the FESITRANH)."

5157

CSO: 3010/679

COUNCIL OF MINISTERS APPROVES NEW BUDGET

San Pedro Sula LA PRENSA in Spanish 19 Dec 81 p 40

[Text] Tegucigalpa--Gen Policarpo Paz Garcia, president of the republic, and the Council of Ministers approved the general budget for the republic for 1982, which totals 1.486 billion lempiras, last night.

The budget will be sent to the National Constituent Assembly today for final approval. It is believed that the budget will not undergo major alterations, since the reporting commission of the assembly has worked together with the budget commission, despite the fact that that state body has full authority to rule on the matter.

Secretary of State for Finance and Public Credit Benjamin Villanueva said that 1.011 billion in domestic funds and 474 million in foreign funds will provide budget coverage. "It is important to note that this is a budget of notable austerity and represents an effort to reconcile public expenditures with the income the central government will receive in the coming year, showing a reduction of 1 percent in current expenditures as compared with last year," Villanueva said.

He added that the draft budget reflects the true fiscal situation which the country will face in 1982 and will probably require great sacrifices and very serious austerity measures, not only to reduce expenditures, but in order to improve tax administration substantially.

The 1981 budget totaled 1.350 billion lempiras, while the new one totals 1.486 billion, representing an increase of 136 million, with a greater increase in foreign funds and a relatively small decrease in domestic funds.

Fiscal Income

On the subject of the fiscal income for the coming year, Villanueva said that it was planned with a high degree of realism to total 870 million lempiras, as compared to the 850 million planned for 1981, which in real terms came to 752.

This official believes that this decline in income can further be reduced next year if tax income and tax collection are improved by means of a better policy in this sector.

Larger Budgets

The ministers with the largest budgets are public education, which accounts for almost 15 percent of the budget total; public health, with about 10 percent; with natural resources in third place and communications, public works and transport in fourth.

However, if foreign funds are used, the SECOPT will rank first, with almost 25 percent of the general budget for the republic, because it includes the financing for the El Cajon hydroelectric project.

No New Taxes

The secretary of state for finance and public credit said that the planned budget was drafted such as not to require any additional tax, with the recommendation instead that tax administration be improved.

Fiscal laws currently exist which if properly implemented could substantially improve state fiscal income.

5157

CSO: 3010/679

TEXACO REFUSES TO PROCESS MEXICAN, VENEZUELAN CRUDE OIL

San Pedro Sula LA PRENSA in Spanish 17 Dec 81 p 48

[Text] Tegucigalpa--The Texaco refinery in Puerto Cortes refuses to process the crude oil Honduras imports from Venezuela and Mexico.

The attitude of this transnational company is regarded as a challenge to the authority of the government, which it should be said in passing, has not been able to force the American enterprise to process the crude oil from those countries.

Texaco prefers to process the oil imported from Saudi Arabia and several African countries, because it deems this more profitable than the processing of the oil obtained from Mexico and Venezuela.

In addition, this transnational company claims that when it has processed crude oil from the countries which sell to the government of Honduras, it has had problems in obtaining gasoline using its own techniques, an explanation which has been acknowledged by officials of the Ministry of Economy and Commerce.

The head of that ministry, Ruben Mondragon, has admitted that the refinery suffers losses when it processes Mexican and Venezuelan crude oil, particularly when it comes to operational costs for obtaining gasoline.

"Therefore," this official said, "the refinery prefers to import the crude oil it believes will bring it the greatest profit per barrel, as is the case with that from Saudi Arabia."

"We have not been able to force Texaco to process Venezuelan and Mexican crude oil, and they have their justification, since as an enterprise in which the government has no management control, they are perfectly entitled to process the oil they prefer," Mondragon said.

Inexplicably, this official said that the refinery is operating at a loss and that therefore it is allowed to import the crude oil from those countries where it can obtain a greater profit per barrel.

He then said that no further fuel import permits will be issued this year.

In conclusion, this official said that in recent days the refinery has sought to submit a petition to the Ministry of Economy asking for a review of the current price

structure for products obtained from oil, using as justification the fact that it is losing money on its operations.

In 1980, Texaco earned about 7 million lempiras, free of all costs, such as the payment of taxes, wages, operational and other costs.

5157

CSO: 3010/679

SEAGA KNOWS OF NO MILITARY AIMS OF CARIBBEAN BASIN PLAN

Kingston THE DAILY GLEANER in English 23 Jan 82 p 2

[Text]

Prime Minister Edward Seaga said on Thursday that he did not know of any element of the Caribbean Basin Plan that had any military or strategic significance as far as the Caribbean was concerned.

He said that the Caribbean did not respond to that kind of stimulation but to economic and political stimulation.

"I do not know of any element in this plan that has any military or strategic significance in so far as the Caribbean is concerned," he said.

The Prime Minister was responding to questions from members of the House of Commons Subcommittee on Canadian relations in Latin America and the Caribbean, at a meeting held at Jamaica House. The members who arrived on Thursday are here to carry out a study on Canada's relationship with Jamaica.

The visit forms part of their tour of six countries in the Caribbean Basin and represents the second phase of the study. They hope to report to Parliament by the end of April. They leave today for Costa Rica.

Mr. Seaga said that the Caribbean could not have waited for another three years to feel the impact of the resource transfer.

"What was necessary was to have something into the system as early as possible and as smoothly as possible."

The smoothness of it, he said, had been in the retention of each donor country of its own bilateral programmes.

Speaking of the Plan and the pooling of resources, Mr. Seaga said: "I could not see any other way in any short period of time to bring countries as diverse as Mexico and Venezuela and the United States and Can-

ada into one common effort."

He said that the plan was a multilateral basket comprising of the donor countries, each of whom had its own bilateral programmes. It was not intended to change the bilateral plans but to increase the quantum in the basket as against what was there before.

"It is in fact intended in that respect not so much to change the bilateral strategies that exist between donors and their beneficiaries but by virtue of putting into one basket, to seek to take advantage of that opportunity to increase the quantum that would be in the basket as against what was there before."

Mr. Seaga also spoke of consultations between the Caricom group on the matter and outlined Government's programmes for the first year of its administration.

JMA WANTS GOVERNMENT TO CORRECT TRADE IMBALANCE WITH GUYANA

Port-of-Spain TRINIDAD GUARDIAN in English 22 Jan 82 p 4

[Text]

**KINGSTON, Thurs:
(Cana):**

THE Jamaica Manufacturers' Association (JMA) wants government to give priority to resolving the trade imbalance problem with Guyana, says JMA Director Ray Hadeed.

The matter was raised at a Manufacturers board meeting by Mr. Hadeed, who said Jamaica imported \$70 million worth of goods from Guyana during the first 11 months of last year, while Guyana purchased \$14 million in goods.

Mr. Hadeed alleged that Guyana was purchasing goods from Eastern Europe that were available within the Caribbean Community (Caricom), in breach of the regional agreement that covers the Commonwealth Caribbean states.

Mr. Hadeed had suggested that the government freeze import licences for goods from Guyana until the trade balance was corrected.

However, the manufacturers decided that the issue should be taken up with Jamaica Foreign Minister Hugh Shearer who could discuss the matter with his Guyanese counterpart.

Guyana is faced with severe balance of payments problems, and, as Jamaica did in the mid 1970s, has restricted imports to curb the outflow of foreign exchange.

Jamaica has been having a negative balance of trade with Guyana in recent years.

Guyana imported \$74 million less than what Jamaica imported from Guyana in 1980, while there was a \$42 million deficit in 1978 and a \$16 million deficit in 1979.

CSO: 3025/150

NATIONAL DEBT NOW AT \$6.5 BILLION, WILL INCREASE IN 1982, 1983

Kingston THE DAILY GLEANER in English 19 Jan 82 p 1

[Text]

JAMAICA'S NATIONAL DEBT now stands at \$6.5 billion, according to Mr. Ronald Sasso, Managing Director of the Royal Bank Jamaica Limited.

Speaking at the launching of a five-year development plan for the Scout Association of Jamaica at King's House on Friday night, Mr. Sasso said that the National Debt would increase in the fiscal year 1982-83. "It is bound to get larger and will continue to grow until we the people of the country are able to produce and reduce that debt," he said.

The trade gap showed a shortfall of some U.S. \$600-million at the end of last year and he estimated that by March the Budget would be short by \$100-million because of certain setbacks in the economy.

"Although we have passed all the International Monetary Fund tests I don't know where the \$100-million is coming from, unless some benevolent association comes to our rescue," he said.

HOWEVER, MR. SASSO WAS OPTIMISTIC that the money would be raised because of the trust and confidence that the country had earned.

When the I.M.F. negotiators arrived in the island in the 70s, he said, they had come to "assess the people rather than to add up the figures".

In his dealings with the I.M.F. officials, he was struck by the fact that they were more concerned with the character

of the people rather than with the state of economy.

Some 90 commercial banks worldwide had lent money to Jamaica. Some of these banks had deferred payments and had "given us an extension of time to pay our debt." This situation, he said, indicated the level of trust which the country through her leaders had achieved.

According to Mr. Sasso, it took a nation with people of "courage, ingenuity and loyalty to continue to fight what appeared to be a losing battle.

But because Jamaicans have the qualities of scouts, such as loyalty and courage, they would always merit the assistance of the United States, other countries and institutions in the quest for economic development.

OF THE FIVE-YEAR scouting development plan he noted that no civilized country could exist without a vibrant scout movement. He commended the plan to increase the number of scouts from 5,000 to 20,000, but stressed that there were some 250,000 boys in the population between the ages of 5 to 19 who should be involved in the movement.

The plan was presented at a dinner hosted by Governor-General, the Most Hon. Sir Florizel Glampole, Chief Scout of Jamaica, and was attended by the Minister of Youth and Community Development, the Hon. Errol Anderson, Brigadier Dunstan Robinson, Chief Commissioner of the Scout Association, the Chief Justice, the Hon. Kenneth Smith and Mr. Cecil Langford, Chairman of the Scout Association.

FIRST STEP IN SUGAR INDUSTRY REVIVAL; LABOR UNREST A THREAT

Government Budgetary Support

Kingston THE DAILY GLEANER in English 18 Jan 82 p 3

[Article by John Sempler]

[Text]

THE GOVERNMENT'S announced plans for resuscitation of the sugar industry is only the first step in a process that must ensure that never again should the industry be entrapped in the vicious circle that has brought it so close to bankruptcy.

The vicious circle of course, is the inability of the industry to produce the volume of cane necessary to efficient grinding operations at the factories which in turn determines the levels of income generated by the industry to maintain field and factory operations.

Quite rightly, priority is being given in the new thrust to increased cane production and improved harvesting facilities. It has been recognized that any plan for recovery must begin with a sufficiency of canes delivered to the factories in volume as required for continuous operations. The cane-farming sector of the industry must seize the opportunities offered in the replanting programme and in the availability of fertilizer and chemicals to increase production.

They must then monitor closely their harvesting procedures to see that clean, fresh canes are supplied to the factories and during the economic reaping periods. Reaping canes outside of the recommended economic cycle results in poor juice quality requiring a greater volume of canes to the ton sugar and increasing production costs.

Economic cropping cycles

The steps announced by National Sugar Company Limited to establish a reaping schedule at each Estate that would end the crop at a pre-determined date should go a long way in returning the operations to their most economic cropping cycles.

This decision will, however, require a co-ordinated programme of reaping, transport and milling with constant liaison between factories and fields. Improved communications in this area of the operations would go a far way towards eliminating frequent factory stoppages for out-of-cane which cause excessive oil usage.

Improving cane production efficiency is a more long-term project than improving factory efficiency. Yet, in anticipation of the increased cane supplies over, say, a three-year period, the factories must be prepared to cope. There is no question that a massive re-development programme is needed to bring the factories in line. Money must be found to provide the spares needed for repair and maintenance programmes. The Government has indicated that this programme is next on the list of priority.

The budgetary support of \$39 million provided by the Government this year must be seen as a temporary rescue operation. Every effort must be made to cut cost by improving efficiency especially in the vital areas of cane supplies and energy usage.

A great deal of the losses sustained by the industry in recent years was caused

by the fact that the factories operate at about 80% substantially fixed costs, so that any shortfall in production increases the unit cost at a faster rate than the percentage decline in production.

Once the projected resuscitation of factories and fields is achieved, the industry should be in a position to generate enough income to be self-sustaining and viable.

Editorial on Workers' Role

Kingston THE DAILY GLEANER in English 19 Jan 82 p 6

[Text]

The appeal by the Minister of Agriculture, Dr. Broderick to workers in the sugar industry to increase productivity and to avoid disruptive actions on sugar estates, which will inevitably lead to further financial losses, is one which the workers would be well advised to heed. Undoubtedly, the Minister's statement applies to the industry in general, but it must be directed particularly to the workers on the three sugar estates — Bybrook, Caymanas and Innswood — who have been on strike now in its second week.

The persistent labour unrests in sections of the economy pose a serious threat to economic stability and undermine the Government's effort to induce capital investment into the country. The agricultural sector in particular has performed dismally over the past few years with its contribution to Gross Domestic Product declining by an aggregate 14 per cent in 1979-80. While there was decline in all sectors, the sharp fall in sugar and banana was the greatest contributor to the overall decline in agricultural output. From 357,000 tons in 1976 sugar production fell to 236,000 tons in 1980 and in the first ten months of 1981 output amounted to some 16 per cent below the yield for the corresponding 1980 period.

The poor performance in sugar gives cause for concern since Jamaica and a number of CARI-

COM partners have firm quota commitment both under the LOME CONVENTION and the International Sugar Agreement. Under normal conditions a failure to meet the terms of the LOME agreement could result in a loss of the quota. Last year, for example, Jamaica's failure to reach the target resulted in the untenable situation in which domestic supplies had to be diverted to meet its market commitment. Then, to meet local demand, scarce foreign exchange had to be spent on the importation of supplies, so that, an unhealthy situation exists in the industry and it will be aggravated by the strike action.

Aspects of the income tax structure, which allows for the taxation of overtime earnings, are a disincentive to work effort, but that is a matter for income tax reform and not a matter for strike. Surely, the workers who have resorted to strike action against certain legitimate deductions from their wage packet must know this. The strike action is a clear reflection of the level of ignorance which has taken hold on some elements of the trade union movement. The apparent readiness to disregard all constituted machinery and throw the economy into chaos suggest that some workers appear not to fully understand the fragility of the economy.

MINISTER BUCK: BAUXITE WEAKNESSES RETARD ECONOMIC RECOVERY

Kingston THE DAILY GLEANER in English 19 Jan 82 p 1

[Text]

WEAKNESSES in the bauxite alumina industry have already set back the Government's projection for economic recovery, the Minister of State in the Ministry of Mining, the Hon. Basil Buck, said on Friday.

Delivering the main address at a ceremony honouring some Alcan (Jamaica) Limited workers for 25 years of service to the company at the Mallards Beach Hotel in Ocho Rios, Mr. Buck said preliminary figures for production and exports in the year just ended indicated that alumina exports rose to 2.5 million tonnes from 2.4 million in 1980.

"However, bauxite exports fell to an estimated 5.2 million tonnes from 6 million tonnes and total bauxite disposed of was about 11 1/2 million tonnes, half a million tonnes less than the 12 million tonnes disposed of in 1980."

The Minister said that given the reduced aluminium demand in the principal markets, Jamaica's output this year was "most unlikely to better our performance in the year just ended".

The effect of lower output, he said, was being compounded by the depressed price levels of metal, with consequent effects on the levy earnings.

"Now is not the time to play games with the national interest. Now is the time to be realistic. With 2.9 million tonnes of inventories and Jamaica's production of 2.5 million tonnes annually, the scenario is obvious. As Galbraith said 'politics is not the art of the possible. It consists in choosing between the disastrous and the unpalatable,' Mr. Buck said.

"If the immediate prospects seem gloomy, I don't want to close without expressing my confidence in a revival of

the industry in the medium term," he went on.

"What is absolutely vital is that all of us — workers, management and Government — mobilize all our skills and discipline to sustain such output as is possible and improve productivity in the interim so that when the upturn comes Jamaica's bauxite/alumina industry will be competitively placed to take advantage of such revival in markets and to lift output to record levels.

"In this connection, no element is more vital than labour. In the final analysis the nation's economic prospects, no less than your own, are in your hands."

Commenting earlier on the labour situation in the industry, the Minister said, Government was doing everything it could to bring a speedy and reasonable settlement of the new labour contract.

"Strikes and shut-downs are most definitely not in the national interest," he said, adding "it is not just levy and royalties that are lost, the country also loses the benefit of the workers' wages which are not paid, revenue loss to the railway and the other local purchases of goods and services which are foregone. And be it remembered that all these payments are in the form of foreign exchange inflows.

"AS IT IS, the weakness in the aluminium industry has already set back our projections for economic recovery."

Mr. Buck said it had been "frequently written and often said in the recent past" that political freedom was meaningless without economic freedom.

"The recent difficulties in the bauxite-alumina sector have generated an escalation in this argument. To support this thesis, it is religiously proposed by my friends on the left that the government should own and control most of

the economic resources of the country and in particular the bauxite alumina industry.

"Sadly, 'the ownership of' and 'the control of' are equated without appreciating that they are not one and the same. You cannot control the means of production without deciding for whom they are to be used. You cannot own the means of production without having the power to decide for whom they are to be used."

LOOKING BRIEFLY, at the market demand for aluminium, Mr. Buck said that in 1980 world metal statistics "inform us" that 11.955 million metric tonnes or 78.3 per cent of the total market was consumed by the market economies. A total of 3.310 million metric tonnes or 21.7 per cent was consumed by the centrally planned economies.

Jamaica, he said, produced the equivalent of 2.5 million tonnes or 75 per cent, almost all, of the aluminium consumed by planned economies.

"Are my friends on the Left suggesting that the potential exists to double the consumption in the planned economies to accommodate Jamaica," I think not.

"Let us be realistic. Let us face the facts of the world in which we live. Nothing in life is free. Everything has a price," the Minister said.

SOVIET DEFECTOR CHARGES PNP TIES TO USSR; PAPER ASKS REPLY

Kingston THE DAILY GLEANER in English 12 Jan 82 p 6

[Text]

On Sunday, December 20 last year we published a report by a Special Correspondent which was based on statements made by Mr. Alexi Leshtchouk, a second Secretary in the Soviet Embassy here who had defected in 1980.

What emerged from the statement was the Second Secretary's skill in depicting his Soviet Government and the leaders as being reluctant to be drawn into an imperialist super-power-client state relationship with Jamaica. This is fair enough, from the Soviet point of view, but what was disturbing was the image drawn by Mr. Leshtchouk of a PNP Government anxious for just such a relationship. The former Prime Minister's anxiety to visit the Soviet Union, the pressure on the Russian Embassy here to arrange the visit, the allegation of Mr. Manley's instruction to his civil servants on the mission to withdraw objections to the wording of the joint communique, so as not to spoil the effect of the visit; the alleged declaration of Mr. Manley to the then Soviet Premier Mr. Kosygin (now deceased) of his eagerness to transform Jamaica into a socialist state, and that Jamaica was at one spiritually with the Soviet Union, but he had to hesitate to say so in public paint a completely different picture of Mr. Manley from that his party was wont to project of the

self-reliant, independent-minded Third World leader in search of a new economic order in which the super-powers and the developed world would give due recognition and equity to the developing.

To add to the picture of a leader and of a Government willing to snuggle close to the bosom of the Kremlin bear, Mr. Leshtchouk tells of efforts by former Ambassador to Moscow Mr. Clare to interest the Russians in economic aid and relationship and of the Russian insistence on trade. Another interesting factor which emerged from the disclosures was that the PNP Government placed its antipathy to the JLP opposition above trading considerations, when it refused to allow a Jamaican company to buy 1,200 Ladas from an eager-to-sell Soviet Government because the head of the firm was JLP.

The PNP has been silent over Mr. Leshtchouk's disclosures, and surprisingly so has the JLP. We believe that at least the PNP owes the public a reply to Mr. Leshtchouk's allegations, even if the JLP sees nothing in the matter to ask questions of the PNP in Parliament. But the message from the Soviets was clear — they need no new Cuba in the Caribbean which would add to the heavy burden they have to bear for that Caribbean surrogate.

BRIEFS

TRADE IMBALANCE--Jamaica's balance of trade in 1981 was "grossly unfavourable" because of the large injections of capital required to stimulate the barren economy. This was stated by the Minister of Industry and Commerce the Hon. Douglas Vaz, at the opening of the commercial office of the Venezuelan Exporters' Association (AVEZ) at the Terra Nova Hotel, on Thursday night. According to him, in 1981 the balance of trade between Jamaica and her trading partners was most unsatisfactory. However, trading activity in 1981 was considerably more than in 1980. Giving figures he said that some \$2.3 billion worth of goods were imported into Jamaica in 1981, over 24 per cent more than the previous year. Of this amount, consumer items accounted for \$800-million as against \$207-million, in 1980--an increase of 45 per cent, or \$93-million more. This year, provision of raw materials will be concentrated on, he said. Raw material imports had increased by 15.6 per cent in 1981, and it was hoped to increase the importation of raw materials from Venezuela. Mr. Vaz told the members of the Association that despite significant increases in imports from other countries, imports from Venezuela, which was mainly fuel, only grew by some 0.5 per cent. Importation of capital goods also grew last year by some 47.8 per cent. Capital goods was a major item on the national import bill moving from \$318 million in 1980 to \$470 million in 1981. Mr. Vaz said the opening of the AVEX office here would enable stronger trading ties to be forged between Jamaica and Venezuela, particularly in the area of exports from Jamaica. Attending the opening of the office were the Minister of State for Foreign Affairs, Dr. Neville Gallimore; Dr. Jose Enrique Porras Omana, Venezuelan Minister of Development; Dr. Regulo Campo Martinez, president of AVEX; and Dr. Luis Echevarria, Venezuelan Ambassador to Jamaica. [Kingston THE DAILY GLEANER in English 16 Jan 82 p 1]

BAUXITE STRIKE LOSSES--Jamaica has lost over U.S.\$250,000 in revenue as a result of the strike by hourly-paid workers at JAMALCO at Halse Hall in Clarendon which began last week Wednesday. According to JAMALCO's public relations manager, Mr. Tony Ray, approximately U.S.\$60,000 is being lost daily until the matter is resolved. Meanwhile, negotiation of a new wage contract between the five bauxite-alumina companies and the National Workers Union continued yesterday under the chairmanship of the Rt. Hon. Hugh Shearer, at the Ministry of Foreign Affairs. Agreement to re-open the negotiations was reached after the N.W.U.'s decision to revise its claims for increased pay and fringe benefits for some 4,130 unionised bauxite workers. The negotiations on behalf of the workers are being conducted by Mr. Michael Manley, N.W.U. Co-ordinating Adviser; Mr. Caswell Rodney, N.W.U. Vice-President; Mr. Derrick Rochester and Mr. Lascelles Perry, Assistant Island Supervisors of the N.W.U.

AID FROM NORWAY--The Norwegian Government has granted an amount of 20 million kroner (approximately US\$5 million) to be used under the Norway/Jamaica Technical Co-operation Agreement for 1982, for a number of development projects in Jamaica, following an official visit by Deputy Prime Minister and Minister of Foreign Affairs, Rt. Hon. Hugh Shearer, to Norway in November last year. The technical co-operation agreement is monitored by a joint Jamaica-Norway Commission of which Mr. Shearer is currently the Jamaican Chairman. Projects carried out under this Norwegian programme include maritime training, trade union education, and various surveys. The seismic survey done under the programme provided the basis for the off shore drilling now being undertaken on the Pedro Banks. Projects to be dealt with in the future programme includes oil and gas exploration, industrial co-operation and bilateral trade. High on the agenda will be proposals for the completion of the project dealing with the establishment of the Maritime Training Institute. Mr. Shearer's visit re-affirmed the close bonds of friendship between the two countries. There was mutual agreement that the programme should continue and that the scope of bi-lateral trade and economic co-operation between the two countries should be expanded. A top-level team of Norwegian officials is scheduled to visit the island next month to finalise with Jamaican officials the specific projects to be included in the programme for 1982. [Kingston THE DAILY GLEANER in English 22 Jan 82 p 1]

BANANA WORKERS' WAGE DEMANDS--The BITU has served an eight-point claim on the Banana Industry for increases in wages, minimum daily and weekly rates, severance pay and insurance coverage for unionised workers employed in banana cultivations and the boxing plants. The claims are for a 50% increase on all task rates, a minimum daily labour rate of \$12 (currently \$8), a minimum weekly rate of \$60 (currently \$40), special adjustment for skilled workers including drivers, a 25% bonus payment calculated on earnings over a 12-month period, life insurance coverage for all workers to the value of \$8,000, and in the case of death by accident \$16,000 with coverage for loss of limb, hearing and sight, severance pay to be on the basis of 12-1/2% of total earnings multiplied by years of service and premium pay of 15% on task rates for work done after 5 p.m. to be increased to 20%. The claims are on behalf of workers in Morant Bay, Highgate, Christiana, St. Ann's Bay, Cambridge, Port Antonio, Bog Walk, Montego Bay, Lucea and Chapelton. The union has asked the Secretary for the Joint Industrial Council for Banana Cultivation, Miss J. Chang, to summon a meeting of the Council to discuss and settle the claims as soon as possible. [Kingston THE DAILY GLEANER in English 23 Jan 82 p 2]

CSO: 3025/151

DE LA MADRID AUTHORS PROLOGUE OF JURIDICAL WORK

[Editorial Report] Mexico City EL SOL DE MEXICO in Spanish on 4 February 1982 page 19-A carries a book notice for ASPECTOS JURIDICOS DE LA PLANEACION EN MEXICO [JURIDICAL ASPECTS OF PLANNING IN MEXICO], issued by the Secretariat of Programming and Budget and published in 1981 by Editorial Porrúa, S.A.; Av. Republica Argentina, 15; Mexico 1, D.F. The notice states, in its entirety:

"In this volume are reproduced the reports presented at the seminar organized by the Secretariat of Programming and Budget for analyzing the juridical instruments involved in our country's planning activities. Lic. Miguel de la Madrid, author of the prologue, indicates that in these essays 'are presented the suggestions and observations necessary for preventing our legal framework from becoming outdated for the unavoidably necessary consolidation of a national planning system.' This book is a joint publication of the Secretariat of Programming and Budget and Editorial Porrúa."

CSO: 3010/828

VICE MINISTER OF EDUCATION ON NEW EDUCATIONAL POLICY

Havana BOHEMIA in Spanish 18 Dec 81 pp 62-63

[Interview with Dr Miguel de Castilla, Nicaraguan vice minister of education for planning and education policy, in Havana, by Concepcion Duchesne; date not given]

[Text] Dr Miguel de Castilla, Nicaraguan vice minister of education for planning and education policy, is cordial, frank and available for discussion and communication.

When we asked him to talk with us for BOHEMIA, the echoes of the subjects discussed in the Fourth General Assembly of FLACSO (Latin American School of Social Sciences), which he attended as his country's delegate, and had not yet abated. Without a doubt the exciting problem of education, which is so closely linked to the social and economic structure and which defines so well a country's level of development, is approached by Castilla not only, let us say, in its scientific aspect, but rather, above all, in its revolutionary relevance, precisely because the character of a specific society is clearly revealed in education.

"This is true," he assures us perceptively, "but sometimes the actual situation is much more eloquent than the total theoretical analysis, because we never imagined the degree of organic disaster in education under Somoza, which not only did not create an educational system which might permit it to reproduce a dependent capitalist society, but rather created a non-system: That is, there was a total lack of articulation among the various educational systems in the country. For example, the former Minister of Education had no idea of what was going on in private education or how it was being done.

"Now, then, if one stops to reflect, one perceives immediately that the 51 percent illiteracy into which Somozism plunged our country has a concrete explanation: Nicaragua's role within world capitalism was to produce necessary raw materials for the imperialists at such a level that it did not require skilled labor for the coffee and cotton harvests (bear in mind that only 8 percent of our cotton production was processed into textiles within the country). One therefore did not need either technicians or university-trained professionals. This explains clearly the reason for this enormous illiteracy rate and the total abandonment of the educational system.

"In addition," he added firmly, "Somozism did not establish a specific type of ideological domination involving a preconceived and coherent ideological system, since domination was exercised through terror and brutality. Somoza did not need the

school system to validate his domination on the ideological level: Therein lies the degree of primitivism of the capitalist system in an underdeveloped country. In other words, the revolution, on 19 July 1979, encountered this situation, in which there was practically nothing salvageable from the educational system."

The Revolution Involves Literacy

I take advantage of a brief pause in the conversation to ask him to tell us about the recently-concluded Nicaraguan Literacy Campaign. In his reply we see that indestructible brotherhood which characterizes our peoples.

"I can tell you that it is the revolutionary process itself which imposes the need for literacy, not only as a demand for human and cultural justice for the country's masses but, more significantly, because of economic and political requirements. This occurs as our people become technically qualified to take a role in economic development--an indispensable characteristic of any revolution--and acquire a culture which enables them to undertake an organic ideological understanding of society, a condition which is expressed perfectly in Marti's admirable statement: 'To be educated is to be free'.

"Of course, Cuba's contribution of solidarity to our literacy campaign was very vital. I remember the first time I saw Jose Ramon Fernandez with his first-class technical team (Max Figueroa, Abel Prieto, Raul Ferrer) in Managua. They told us frankly: 'The task now is to organize the literacy campaign, but also to fill the country with schools.' The reason for this second measure is obvious: With schools the germ of illiteracy will be destroyed, so that Nicaragua will not need a second literacy campaign. This experience of ours, which is based on the experience of you Cubans, can be applied to other revolutionary processes."

I could not resist asking him about the work our teachers are doing in his country. His immediate response made us proud.

"The Cuban teachers are preventing Nicaragua from having to carry out another literacy campaign within a few years. They are fighting illiteracy at its source, which is the lack of schools.

"In the revolutionary conduct of the Cuban teachers, in their human, ethical and professional qualities and in their capacity for love and comradeship toward our people we see an example, a goal for education in our country, because we hope to form that type of human being, with a huge capacity for love, strict professional standards and an irrevocable revolutionary vocation."

Totally Productive Experience

"The literacy campaign," he continued, "is generating educational continuity, a new educational methodology which has been used before and which we are now projecting into the classes themselves. The training of teachers, the Sandinist Saturday workshops and the methods used in training the literacy workers are now included in the National Training System.

"The logistic method used in sending materials from the capital to the most remote places in the country is the same system we are using now in school administration on the national level.

"This means that everything which is created within the revolution is completely pure; it is not contaminated with the past. Therefore a process of self-development and of self-motivation, marked by the great desire of our people to move ahead, is being generated.

"If I point this out to you," he explained quickly, "it is because we have found that the entire available bibliography--with the exception, of course, of the Cuban--on educational systems is of little use to us, because it only serves for modernizing educational systems within capitalist frameworks, and this is not viable in a revolutionary society."

At this time I ask him about his concept of educational planning, based on the experiences of the literacy campaign.

"You are right, because, as is well known, this criterion can only be used in two areas: Educational expansion and improvement, although in Nicaragua we have established another area, which we call 'transformation.' Expansion, in which the Cuban teachers are participating, is bringing education to the entire population without any discrimination, on the basis of the interests of the people. Regarding improvement, we are not seeking capitalist efficiency, because we do not aspire to be neutral scientists, experts and sages. And it is here that our transformation criterion fits, since the philosophy of Nicaraguan education proposes to create revolutionary intellectuals, professionals and technicians linked to the workers' and peasants' struggle, to the struggle of their people and to internationalism. In other words, to forge this profile of the new man, which in many respects is the profile of all genuine revolutionaries in the world."

National Consultation

I tell him it would be very useful of BOHEMIA's readers to know what is to be understood by the "National Consultation" and what role it has played in the formation of the Sandinist Revolution's educational policy. Castilla tells us enthusiastically:

"We can say that it is a new social science experiment aimed at defining the goals and objectives of education. With this in mind, then, a 50-point questionnaire was made up with the aid of reputable sociologists and given to people's organizations of teachers, youth, children, workers, peasants and women (AMNLAE, the Luisa Amanda Espinosa Nicaraguan Women's Association, which is playing an important role in our revolution), at the municipal, departmental and national levels. As you can imagine, it was nothing more or less than a basis for discussion of the problems of education among the rank and file and with a broad and deep democratic significance, because it was the people themselves who were telling the Sandinist leadership how they wanted education to be in the new Nicaragua.

"Let me get a little ahead of your question," he said quickly. "The response of our people was that they want our system to form 'revolutionary experts,' which is the essence of our criterion for the transformation which must be brought about by education in our nation. In reading the responses concerning what our youth expect of the man of the future, we find a substantial coincidence with Che's statements about the new man, and it is not because they have learned them by heart--it is even possible that many of them have never read Che--but because here the people are defining a revolutionary policy. I can assure you that there is total agreement between the response of our people concerning the future and the statements of our leaders.

"In summary, the goals of education are being defined on the basis of the National Consultation, and thus it is possible to plan future educational policy, which is, in broad outline, to form that new, revolutionary expert and to link education to the needs of production and the country's regional needs. We understand that this is a totally original idea of the Nicaraguan people, in the sense that it responds to the consciously expressed demands of our people. "We are, then, in the process of making long-term plans for the next 10 years as well as implementing operational plans for each year.

"Before going on to another subject," he said pleasantly, "I would like to emphasize the ideological summary of what I have been discussing, and that is the participation of our people in the important national directorates. When we give our people the opportunity to say what they want future educational policy to be, we are making it possible for them to have a voice in the society of the future. It is a real example of popular democracy and of the true difference between a revolutionary democracy and a formal democracy. With great pride we dare the 'democracies' (the quotation marks are his) of Latin America to ask their people what they want education to be."

Private and Higher Education

I suggest to Dr Castilla that he tell us something about private education, since this is of interest, specifically in the case of Nicaragua.

"To be totally honest, private education is still necessary from the quantitative point of view, because it involves between 10,000 and 15,000 youths and children. In addition, our revolution claims to be pluralist, having an economic base in transition, a mixed economy, an anti-imperialist democracy in which the people participate.

"So indeed, in the Ministry of Education we have the Department of Private Education, which supervises all the programs under that type of education. In other words, all the programs of study are the same for both the private and the state system. In addition, the certificate for passing from one grade to the next is given by the state, not by the private school. As you can see, there is supervision and control within the framework of our own particular characteristics.

"There are also private universities, but there is a Council of Higher Education, which is going to become the Ministry of Higher Education, which supervises and controls them.

"With regard to higher education, I can tell you that the National University grew from 14,000 students in May, 1979 to 25,000 at the present time: There are 11,000 more students in those few years!

"But this is not the most important thing," he emphasized, "because three broad fields have been opened up in higher education, courses on a higher technical level linked to agricultural production, to education itself and to health. This emphasis is on development in the scientific and technical field, where training in agricultural education is closely linked to farm and agroindustrial production. As you can appreciate, it is that relationship between economics and education that forms the criterion of our educational policy."

We feel after conversing with Dr Castilla that we have gained a clear idea of the present tasks and the prospects of education in Nicaragua, of the deep significance of an authentically popular revolution in the various levels of the spiritual and material life of a nation and of the role of internationalism. In short, how the development of a society is defined in the content of its educational philosophy.

8735

CSO: 3010/686

SIMMONDS ASKS FOR SUPPORT OF 'VITAL' SUGAR INDUSTRY

Bridgetown ADVOCATE-NEWS in English 15 Jan 82 p 3

[Text.]

BASSETERRE St. Kitts Thursday (CANA) — St. Kitts-Nevis Premier, Dr. Kennedy Simmonds, in a radio and television broadcast last night to explain "the cold, hard facts" about the state of the vital sugar industry, appealed to everyone to do their utmost to save it from collapse.

Concern has been expressed in many quarters about the state of the sugar industry, following the announcement by Dr. Simmonds in his New Year's message that sugar workers would not be receiving their customary incentive bonus at the start of this year's crop.

This payment was introduced by the late Premier Robert Bradshaw in 1975, following the almost total nationalisation of the industry by the government.

"This is the time for every well meaning citizen to rally to the cause of this country. Let us put community before self, country above personal ambitions. Let us do everything in our power to ensure that the industry survives and that the workers livelihood is secured," Dr. Simmonds pleaded.

He went on to explain government's decision not to give the bonus this year, stressing that the "goatwater payment" as it is called, had been an exgratia handout from government revenue.

"The decision to pay or not to pay rests with government," he said.

In setting out the factors which he said had brought the

industry almost to its knees, Premier Simmonds pointed to the serious drop in the price for sugar from 400 pounds sterling a tonne to the present 100 pounds on the British market.

He said this amount was 40 pounds less than the 200 pounds it took to produce a tonne of sugar. He said too that the industry was facing a US\$33 million overdraft. The Bookers Agricultural Company report for 1981 he said had "clearly warned that if nothing is done to try to limit this increasing overdraft, the sugar industry itself will soon disappear."

"We cannot afford to ignore this serious warning," the Premier declared.

Premier Simmonds told the nation that the industry's vehicles were badly in need of replacement, in addition to the fact that maintenance and operating costs were increasing, together with the cost of fuel.

He said that last year the National Agricultural Corporation (NACO) which is responsible for the field side of the industry, had total revenue EC\$11 million but had a total wage bill of \$15.3 million.

Disclosing that NACO altogether lost 18.4 million last year, Dr. Simmonds declared:

"There are clearly no proceeds from the industry, and government has to put money from other sources into the industry to keep it going and to protect the livelihood of the sugar workers."

BRIEFS

FINE FOR GUYANESE CAPTAIN--A Guyanese captain was fined (EC) \$1 000 forthwith or six months in jail in a magistrates court in St. Kitts on Monday after he pleaded guilty to unlawful possession of 175 rounds of ammunition. George Dickee, a captain on board a Panama-registered vessel, the "Black Jack", said he was not aware of Kittitian law when he brought the ammunition aboard the ship into Basseterre. Police made the fine on January 2, acting on a tip off. Dickee had 40 cartridges for a .22 pistol and 135 suitable for a .22 mm rifle. Counsel for the defendant Nassibou Butler told the court that Dickee bought the ammunition in neighbouring St. Bartholomew, a French island, for someone in St. Martin, and he had taken them off the vessel before anyone stole them. But the presiding judge, John Lynch-Wade, in passing the sentence said that that type of thing could not be tolerated. He warned that it was the custom for such offenders to be imprisoned, and added: "Any bona fide captain should be aware of the laws of any country to which they travel." [Bridgetown THE NATION in English 7 Jan 82 p 7]

CSO: 3025/152

UNION CHIEF CALLS FOR ENACTMENT OF PROMISED LABOR CODE

Bridgetown ADVOCATE-NEWS in English 11 Jan 82 p 3

[Text]

CASTRIES, St. Lucia. Sunday (CANA) — The St. Lucia Workers Union has reminded the administration that a promised new labour code to protect workers from arbitrary dismissals and victimisation was still not on the statute books.

The call for action has come from the union's General Secretary, Titus Francis.

He said the time had come for legislation to improve the lot of St. Lucian workers subjected to arbitrary dismissals and victimisation at the hands of their employers.

The new labour code was expected to come before Parliament shortly after the Labour Party came to power at the July 1979 General Elections.

However, the Bill was shelved following mounting pressure from various quarters of the community over certain sections which

were said to be prejudicial to the interest of both employer and worker.

Mr. Francis said that his union believed that whether or not a worker earns fair wages, the right to secure a job was paramount to him and his family.

"The St. Lucia Workers Union is therefore looking forward to the immediate enactment of this important piece of legislation. It is no secret that the existing legislation governing industrial relations is in the least, archaic", Mr. Francis said.

He added that "a worker who is dismissed by an employer and is in an unfortunate position of not being represented by a trade union has no chance of retaining his job."

If there is a labour code, he pointed out, "the individual will have a right to his case being heard and adjusted by a tribunal if needs be."

CSO: 3025/152

PILGRIM SAYS BANKS READY TO FINANCE SOME PROJECTS

Port-of-Spain TRINIDAD GUARDIAN in English 23 Jan 82 p 4

[Text]

CASTRIES, Fri; (Casa):
PRIME MINISTER
Michael Pilgrim has said that commercial banks in St. Lucia are considering a package to finance repairs to the island's roads, develop housing as well as a garbage disposal system.

Speaking at a Press conference yesterday, his first since he was chosen to head the country's interim government, Mr. Pilgrim announced that a government team including himself had met recently the commercial banks to discuss proposals for the projects.

He also told newsmen he would be asking Governor General Boswell Williams to dissolve parliament on January 31, which will pave the way for announcement of an election date.

The constitution says elections must be held within 90 days of dissolution.

"The date for general elections will depend on whether the election machinery is in shape," Mr. Pilgrim said.

Mr. Pilgrim, who is also

Finance Minister, said that St. Lucia was in a critical financial position. "It is facing a serious liquidity problem and in this light it was necessary to approach the commercial institution."

He came to power last Sunday following a week of political troubles on the island, which culminated with the resignation of St. Lucia Labour Party Prime Minister, Winston Cenac.

Since coming to power the new Prime Minister put an end to a longstanding dispute between the government and public servants, who were demanding salary increases.

But he told reporters that the 57 per cent pay hike which was given to the workers, would cost the government a gross of \$90 million and a net of \$36 million backpay alone would amount to \$12 million, he said.

Mr. Pilgrim added that he was hoping to generate sufficient revenue to take the country through to the general elections.

CSO: 3025/152

LEADING FIGURES, UPM VOICE CONCERN OVER ELECTIONS LAW

Port-of-Spain TRINIDAD GUARDIAN in English 21 Jan 82 p 5

[Text]

KINGSTOWN, Weds., (Cana)

THERE is more opposition here to St. Vincent's proposed Representation of the People Act, which is to have its second reading in the House of Assembly this week.

Former Opposition leader, Calder Williams, ex-Premier James Mitchell, and leader of the Socialist-oriented United People's Movement (UPM), Dr. Ralph Gonsalves, have all expressed concern about the provisions of the Bill.

Mr. Williams described the Bill as a "conspiracy against democracy", and said it was intended to curtail the power of the Supervisor of Elections, provide excessive powers to Cabinet, and contained many loopholes which could only facilitate election rigging.

Mr. Williams, leader of the rural-based Working People's Party (WPP), has called on Government to ensure broad discussion on the Bill, and to allow maximum use of the State-owned Radio St. Vincent and the Grenadines to help educate the masses about the Bill.

Former Premier, James

Mitchell, and Dr. Gonsalves said they had identified provisions which would "frustrate the holding of free and fair elections" here.

The Representation of the People Act, which was read for the first time in Parliament here last November, and is listed for second reading tomorrow, covers all matters connected with the holding of general elections.

The Act has already come under fire from Opposition Leader, Randolph Russell, who said it was an "undesirable piece of legislation which doesn't guarantee free and fair elections."

CSO: 3025/153

BRIEFS

UNION WARNING--Kingstown St. Vincent Sunday (CANA)--The powerful Commercial Technical and Allied Workers' Union (CATWU) in St. Vincent and the Grenadines says it cannot guarantee "a proper industrial climate" this year because of outstanding problems over wage negotiations. Cyril Roberts, the CATWU president, said in a New Year message that the outstanding problems concerning wage negotiations might lead to the union taking industrial action. He did not specify what form the industrial action could take or say whether the wage negotiations related to government or private sector employers. "We cannot guarantee a proper industrial climate in 1982," he said. Mr. Roberts added that the trade union movement was very concerned about the unemployment situation in the Caribbean and felt there were several ways trade unions could assist in the creation of jobs. "Unions can only do so by having the co-operation of the government and employers' organisations," he said. [Bridgetown ADVOCATE-NEWS in English 11 Jan 82 p 3]

CSO: 3025/153

NIGERIAN ENVOY COMMENTS ON RELATIONS WITH TRINIDAD-TOBAGO

Port-of-Spain TRINIDAD GUARDIAN in English 23 Jan 82 p 3

[Text]

AS developing oil-producing countries, Nigeria and Trinidad and Tobago have had similar economic experiences. This came out during discussions with the new High Commissioner for Nigeria, Mr. E. Olufemi Fowora, who visited the "Guardian" this week.

Mr. Fowora spoke about Nigeria's thrust in the development of its petroleum sector. The country was now building the first steel plant in Black Africa, a urea plant and a number of other refineries.

Because of the current oil glut, however, Nigeria's economy had suffered from a drop in production. Previously, the country produced 2.2 million barrels of oil per day. This figure fell to 700,000 barrels per day in August last year and has since increased to the present rate of 1.6 million barrels.

More significantly, there has been a notable decline in Nigeria's agricultural sector.

"Before oil, we were self sufficient in food," Mr. Fowora observed. "Now we spend \$1.5 billion US every year in importing food. "We are trying to reverse this situation, however. Part of our strategy is a

programme of import substitution and incentives to encourage people to stay on the farms and not crowd into the urban areas."

At one time, Nigeria exported cocoa, ground nuts and palm oil. Now cocoa is the country's only agricultural export.

"The problem with a developing country like Nigeria is that although you may have the money, everything cannot be done at the same time," Mr. Fowora said.

VALUABLE EXCHANGE

Mr. Fowora said he was happy to be assigned to Trinidad and Tobago.

"Over the years, tremendous goodwill has been generated between our two countries and I would like to consolidate and build upon this during my term of office here," he said.

"We are looking to see how to translate this in terms of economic and cultural cooperation. We would like to see an exchange of goods and cultural activities between the two countries."

In pursuit of this, Mr. Fowora said he already had discussions with the Trinidad Chamber of Commerce. Perhaps Nigeria could buy Trinidad's rum

and there could be a valuable exchange of technology between the two national oil companies.

In the area of foreign policy, the High Commissioner said his country's central concern was the liberation of the southern part of Africa. They were happy over developments in Zimbabwe, they looked forward to a settlement of the Namibia question in the near future and hoped that Blacks in South Africa would soon gain their freedom.

Nigeria was also an active participant in the North-South dialogue, Mr. Fowora said.

"What we want to see is a situation where African countries and those of the South, the Group of Seventy Seven, can earn a reasonable income for their agricultural products."

He said the fluctuation in prices and the deterioration in the terms of trade made life exceedingly difficult for African countries, particularly in servicing foreign debt.

Mr. Fowora, whose diplomatic jurisdiction extends to Barbados, Guyana and Suriname, is here with his wife and ten-year-old son, a pupil of the Maria Regina private school.

CHAMBERS PRESENTS 1982 BUDGET--\$563 MILLION DEFICIT SEEN

Speech to Parliament

Port-of-Spain TRINIDAD GUARDIAN in English 19 Jan 82 p 1

[Article by John Babb]

[Text]

JUST five weeks to Carnival, Prime Minister George Chambers told the nation yesterday that "the fete is over and the country must go back to work," as he wound up his 90-minute Budget Speech in which Government expenditure for 1982 totalling \$8.4 billion, would outstrip revenue of \$7.9 billion by \$563 million.

(Precise figures: Revenue — \$7,903.2 million; Expenditure — \$8,466.2 million).

In presenting what many people termed "a lenient Budget" Mr. Chambers pointed to the challenges of the 80s to be faced in food production, housing, education, national transportation, youth and the care and treatment of our senior citizens.

The year, 1982, he said, "is going to be a year of consolidation and review; a period of introspection dedicated primarily to a searching and detailed examination of our economic situation and of the principles and criteria which should govern our choices and actions."

NAC TO BE SCRAPPED

He also told of Government's intention to convene this year a national consultation on productivity over which he will preside as Prime Minister.

Mr. Chambers announced the dismantling of the high-powered National Advisory Council (NAC) and its replacement with a National Economic Planning Commission (NEPC) in the light of Government's decision to proceed to a comprehensive multi-sectoral plan.

The NEPC will comprise representatives of the public and private sectors, including banking and financial institutions, the small business sector and the labour movement.

Mr. Chambers, in his speech as Minister of Finance also drew attention to certain specific matters and action contemplated this year.

Among them, was a request to the Service Commissions to consider, as a matter of urgency, revision of the disciplinary procedures governing public servants — some 33,000 (excluding the Statutory Boards) who are to receive shortly \$213

million in retroactive payments.

Permanent Secretaries are to expedite a plan to implement their recommendations for improving efficiency in the Public Service.

Existing arrangements for the repatriation of trained nationals who want to come back home are to be reassessed.

CUT IN SUBSIDIES PROPOSED

Mr. Chambers said all State Enterprises are to be evaluated to assess their economic viability and their role in the economy. New guidelines for releasing public funds to these enterprises are to be set.

A system of management audits is to be introduced in the public sector, with two pilot audits to be done this year — one in BWIA and the other in T&TEC.

Also, the alarming growth rate of Government subsidies — now almost \$1 billion — is to be arrested. Towards this end, T&TEC, the Port Authority, Public Transport Corporation and the Telephone Company will be permitted to approach the Public Utilities Commission for a review of their rates.

A brief update on the controversial Caroni Racing Complex. In the light of Sam P. Wallace, the contractor, receiving a 60-day extension in the U.S. to submit its report, Mr. Chambers said that in the circumstances, "the freeze on the release of public funds for payments to the contractor concerned, stands."

Optimum use of the site is being studied by a committee, which has already rejected two of three alternatives.

Mr. Chambers also told the nation it was clear that local objectives were not being fully met under some Government-to-Government arrangements.

EXPORT TAXES ABOLISHED

He cited three examples which involved cost overruns and delays. While not identifying them, the Prime Minister's statement was in obvious reference to the Secondary Roads Development Programme handled by the Germans; the Financial Complex, and the Hall of Justice, handled by British firms.

Mr. Chambers, who also laid emphasis in his speech on the development of the non-oil, export and food production sectors, as well as housing, indicated that his fiscal measures for 1982 took into account the report of the Fiscal Review Committee submitted last September.

He reiterated income reliefs which were announced October 11 — increased housekeeper allowance, special pensioners allowance, increased spouse allowance, the increased Unemployment Levy ceiling, and book and uniform grants.

Additional measures which will also take effect from January 1, this year, included abolition of export taxes, an increase in dividend income allowance to 185 per cent.

Also, a net annual increase in shareholding in Credit Unions and Co-operatives by individuals up to \$2,500 will be tax deductible.

Old Age pensions are to be increased from \$100 to \$125 a month, and the income barrier raised to \$4,500 a year.

An actuarial study is to be done to serve as a basis for considering increased pensions to retired public officers.

Food Stamps are to be increased from \$26 to \$50 a month, while the \$6,000 Motor Vehicle Tax on imported motor vehicles will be abolished.

MOTORISTS TO PAY MORE

However, motorists will have to pay more for gas — \$1.25 per imperial gallon for premium, and \$1.05 per gallon for regular. Domestic kerosene moves up to 50 cents; industrial kerosene \$1.25; gas oil, also \$1.25, and marine diesel, \$1.05 per imperial gallon.

The price of cooking gas has also gone up. A 20-pound cylinder — from \$9.20 to \$10, and the 100-pound cylinder — from \$46 to \$50.

Recommendations of the Fiscal Review Committee concerning personal taxation and corporation tax, said Mr. Chambers, have been deferred pending the outcome of the proposed national consultation on productivity.

Considering the problems and complaints with respect to land acquisition, Mr. Chambers said the Government proposed to examine the issues involved with three objectives in mind.

• That payment for land acquired should be at current market value;

• Payment for idle land acquired for any public purpose should be met 50 per cent in cash and 50 per cent in bonds; and

• Payment for all land in excess of one acre acquired for housing should be met on a similar basis — 50 per cent in cash, and 50 per cent in bonds.

Debate on the Budget will begin at 10 a.m. Thursday in the House of Representatives.

Study of State Enterprises

Port-of-Spain TRINIDAD GUARDIAN in English 20 Jan 82 p 4

[Text]

AN ASSESSMENT of the economic viability and the role in the economy of all state enterprises is to be undertaken by the Ministry of State enterprises.

This was announced in the 1982 budget speech in the House of Representatives by Prime Minister and Minister of Finance George Chambers.

He said the ministry would commence the evaluation of all the enterprises and pending the evaluation which is expected to take some time the Minister of Finance and Planning will submit for Cabinet's approval new guidelines under which public funds will be made in future to the state enterprises.

He further added that all

state enterprises will be required to make maximum use of the services of the state enterprises in their areas of expertise and competence.

It is intended to give directions to these enterprises to ensure compliance, he said.

Earlier, Mr. Chambers pointed out that some of the enterprises were profitable but a significant number were dependent... "some critically so, on government support which is provided in a number of different ways such as loans, advances, subventions and loan guarantees.

"The cost to the exchequer has been considerable and in 1981 alone amounted to \$886.5 million," he pointed out.

The amount, he noted, excluded loans and credits guaranteed by government which totalled \$1,400 million.

The Prime Minister said: "Clearly, the country can no longer afford this burden on its limited financial resources. The ultimate challenge is, therefore, self-evident.

"This sector will require drastic rationalisation and that must be our commitment for the 1980s.

He added: "Such an objective will demand courageous decision-making designed to ensure that those enterprises which are retained are efficiently managed and put on a footing whereby they are able to solve their problems on their own initiative."

Review of Foreign Projects

Port-of-Spain TRINIDAD GUARDIAN in English 21 Jan 82 p 3

[Text]

GOVERNMENT is to appoint a team to review the entire programme of government-to-government arrangements in the light of objectives not being met.

This was announced by Prime Minister George Chambers when he presented the 1982 Budget in the House of Representatives on Monday.

He said that on the basis of regular reports, it was clear that objectives of the Government were not being fully met.

There are about 41 projects

being undertaken under government-to-government arrangements.

Mr. Chambers said while referring to delays in construction and cost overruns:

"Among the measures introduced to facilitate the rapid implementation of the public sector programmes were the government-to-government arrangements.

NOT IDENTIFIED

It was envisaged that foreign governments which were pre-

pared to enter into such arrangements would assist the development efforts of Trinidad and Tobago by:—

• designating competent national firms (public or private) with which the Government of Trinidad and Tobago would enter into agreements for the implementation of projects; and

• guaranteeing or assuming responsibility in some explicit and practical way for the satisfactory completion of projects undertaken by designated firms.

"Some 41 major projects

Have been identified under these arrangements and are at different stages of negotiation and implementation."

He went on:

"On the basis of regular reports on the progress of projects subject to government-to-government arrangements, it is clear that our objectives are not being fully met.

"I wish to cite three examples:

"Project A was scheduled for completion within a period of three years at a cost of just over \$400 million. Our

most recent progress report suggests that this project is significantly behind schedule and that the final construction is likely to be completed at a cost some three times the original estimate.

"Project B which was originally estimated to cost \$97.5 million is now well behind schedule and the final estimated cost is almost twice the original estimate.

"Project C which was originally estimated to cost \$175 million is now one year behind schedule and the revised estimate is still not clear."

Mr. Chamber did not identify the projects.

He said these arrangements had also had their effects on the public service by attracting away from it scarce expertise. This had defeated one of the basic objectives of the arrangements which was to supplement local resources which continue to be in short supply.

The position was further aggravated by Government's inability to recruit suitable replacements, the Prime Minister said.

Panday's Opposition Reply

Port-of-Spain TRINIDAD GUARDIAN in English 22 Jan 82 p 1

[Article by Norris Solomon]

[Text]

OPPOSITION LEADER
Basdeo Panday has called for constitutional and political change as a measure which would unite the people towards achieving productivity.

The Opposition was prepared to do its part he said but a precondition was constitutional change.

Rep. Panday was speaking during debate in the House of Representatives yesterday on the 1982 budget.

Claiming that some of the measures announced in the 1982 Budget were put forward in the manifesto and policy and programme of the Alliance, the official Opposition, in Parliament Mr Panday said that the Prime Minister and his Government could not afford under the present political system to "give us credit for anything."

"The system demands that they discredit us as much as possible so as to prevent us from taking their place; indeed, the system demands that we (the Opposition) discredit them so as to remove them from office."

He said that under the Westminster system of first past the post and winner take all, there was no room for the kind of co-operation and national unity of which the Prime Minister was speaking.

The Opposition Leader stated: "We are forced,

both Opposition and Government, to spend all our time and energy in an antagonistic relationship seeking power instead of using it in the interest of the people.

"The system is one that divides instead of unites, and in a plural society such as ours, it divides permanently," he declared.

Mr. Panday questioned whether the Prime Minister was prepared to perpetuate "this kind of fratricidal division in our society," or whether he was prepared to effect constitutional change so as to involve all the people in the political decision making.

He described that as the fundamental issue adding that it was one of productivity.

He went on: "Without the removal alienation at both the economic and political levels there will be no improvement in productivity."

PETRO DOLLARS

Mr. Panday said that he agreed with the Prime Minister that without increased productivity the present standard of living could not be maintained or improved.

He said that the country had earned its present standards of living by buying it with petro dollars and

now that oil revenues were declining the country could no longer pay for it but must earn it and it could only be earned as a united people.

"We are prepared to do our part, but a precondition is constitutional change," he said.

The budget debate began in the House of Representatives yesterday. Mr. Panday was the second speaker, arriving late through traffic congestion on his way to Port of Spain as he explained in the House.

The first speaker was opposition member Rep. Winston Dookeran. (See Page 3.)

Rep. Panday claimed that the gap between rich and poor had widened and despite the receipt of revenues totalling \$16 billion between 1970 and 1979 and \$29 billion by 1981, the country remained heavily dependent on oil and unemployment continued to plague the society.

The Government must be honest and admit it had failed, he said, and ask the question why it had failed? "There is need for much soul searching, and they must admit their mistakes," he added.

Touching on points in the economy, Mr. Panday said:
• The petroleum sector remains largely in the hands and under the control of

foreign interests and the facts is Government cannot control the rate of extraction of oil to protect the non-renewable assets;

- Despite localisation and the establishment of a national bank, banking and insurance are, by and large, still foreign controlled;

- The sugar industry remains export oriented with the production of raw sugar for export as in colonial days.

He said that every effort to rationalise the sugar industry and to diversify its products through downstream products had been resisted and frustrated by Government and instead of expanding the by-products of sugar and sugar cane, Government had done the opposite by closing down the bagasse plant.

He claimed, too that fish and fish products continued to be imported despite the setting up of the National Fisheries Company.

Mr. Panday claimed that many of the State enterprises had become "dumping grounds for PNM party hacks."

The PNM Government, he charged, was always campaigning for the next elections and that was a serious problem for the country.

The Opposition Leader said the Prime Minister had not given a serious analysis

of the problems of unemployment in the country.

Unemployment was not due to lack of jobs but lack of skills. It was closely linked to the education system and the level of technology.

"The education programme must bear relevance to our programme of industrial diversification in terms of quantity, quality and speed of implementation," he said.

Mr. Panday said that while the Prime Minister had identified the problem of inflation he did not put forward proposals for combating it.

The Opposition Leader said that the Alliance believed that primary causes of inflation in the country included:

- Shrinking supply of locally produced goods and services due to official mismanagement;

- Increasing pressure on demand for goods and services largely because money supply was not related to productive activity;

- Rising costs due to high cost of foreign inputs;

- Stimulation of excessive demand by promotion of values of a consumer society; and

- Hoarding monopolistic practices and corruption.

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FEB. 23, 1982